

**SECOND ROUND FUND FOR RESTORATION
OF MULTI-FAMILY HOUSING (FRM)
2014/15 TIMELINE**

HMFA Training on FRM Second Round Selection Criteria	May 13, 2014
HMFA Board Approval of Second Round Program Guidelines	June 6, 2014
Governor's 10-day Veto Period Expiration Date	June 20, 2014
Effective Date of Second Round Program Guidelines	June 23, 2014
Part A Application Submissions Due (by noon)	September 8, 2014
Applicant List Released	September 10, 2014 (approx)
Part B Application Submissions Due (by noon)	November 10, 2014
HMFA Review of Applications	January 30, 2015 (approx)
Anticipated Awards/Board Approval	February 2015

**FUND FOR RESTORATION OF MULTI-FAMILY HOUSING - SECOND ROUND
PROGRAM GUIDELINES
Presented to the Agency Board: June 6, 2014**

The New Jersey Housing and Mortgage Finance Agency (the “Agency”) anticipates receiving an allocation of second round CDBG-DR funds for the Fund for Restoration of Multi-Family Housing (“FRM – Second Round”) in the amount of \$190 million (exclusive of the \$10 million FRM - Second Round set-aside for public housing authority projects). FRM – Second Round funds, once allocated to the Agency, will be available to realize rental housing projects through FRM – Second Round, less program delivery costs. An additional \$10 million of FRM –Second Round funds are anticipated to be available through FRM - Second Round to assist public housing authority projects, less applicable program delivery costs.

With respect to the \$190 million FRM – Second Round funding round, demand for FRM – Second Round funding significantly exceeds available FRM – Second Round funding. As a result, requests for FRM - Second Round funds shall adhere to the following application process, and the Agency shall award FRM – Second Round funds to projects, on a competitive basis, to the highest ranking eligible applicants based on the objective selection criteria, tiebreaker and equitable distribution provisions set forth below.

Step 1. Application Part A Submission: For a project to be considered for FRM – Second Round funds, the following items must be submitted by project sponsors (“Applicants”) to the Agency **no later than 12 noon on September 8, 2014:**

- Part 1 of the Unified Application for Multi-family Rental Housing Production Programs (“UNIAP”)
- A description of the project
- Section 1 of the FRM - Second Round Document Checklist, excluding the Resolution of Need.

The UNIAP is available on-line, and the FRM – Second Round Document Checklist is attached. Application Part A submissions which are incomplete will be rejected, unless the deficiencies causing the rejection are cured by the Applicant within 48 hours after written notification by the Agency.

Step 2. Application Part B Submission: The Agency shall notify Applicants that have successfully satisfied the Application Part A Submission Requirements described in Step 1 on or about September 10, 2014. These Applicants then **shall have until 12 noon on November 10, 2014**, to physically submit a hard copy of Section II of the FRM – Second Round Document Checklist and documentation of the applicable criteria under Section 4 below. **While not required, it is strongly recommended that Applicants submit their Application Part B Submission documents in advance of the November 10, 2014 submission deadline.**

Step 3. Agency Review and Approval of Documentation: Due to the need to quickly develop affordable rental housing and to be responsive to federal regulations regarding the speed with which federal CDBG-DR recovery funds must be disbursed, the Agency’s review of applications is expected to be completed on or about **January 30, 2015.**

Step 4. Ranking Projects: FRM – Second Round funds shall be awarded to the highest ranking, eligible Applicants based on the objective selection criteria, tiebreaker and equitable distribution provisions as outlined below.

	FRM – Second Round Guidelines
PROGRAM OVERVIEW	The Fund for Restoration of Multi-Family Housing - Second Round (“FRM – Second Round”) offers subsidies in the form of loans to developers of eligible affordable and mixed-income rental housing in the State of New Jersey (the “State”). This program will be funded with Community Development Block Grant-Disaster Relief (“CDBG-DR”) monies appropriated pursuant to the Disaster Relief Appropriations Act of 2013 (Public Law 113-2, approved January 29, 2013) (the “Disaster Relief Act”). The Agency will receive the CDBG-DR funding from the New Jersey Department of Community Affairs (“DCA”). The FRM - Second Round program allows developers to apply directly to the Agency for subsidies while simultaneously applying for low-interest mortgage financing and Federal Low Income Housing Tax Credits (“LIHTCs”) made available through the Agency.

	FRM – Second Round Guidelines
1. Eligible Applicants	Private for-profit and nonprofit housing developers and public housing authorities capable of developing and managing large multi-family housing developments.
2. Eligible Project Locations	Projects located within any of New Jersey’s 21 counties are eligible to apply for FRM – Second Round funding. However, for projects located outside of the nine “most-impacted” counties as determined by the United States Department of Housing and Urban Development (“HUD”) (that is, projects outside of Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean or Union Counties), the application shall include a narrative of how Superstorm Sandy affected the rental population and why FRM – Second Round funds are needed to serve Sandy-impacted renters in the market area.
3. Eligible Types of Projects	<p>Projects must: (a) rehabilitate or replace affordable rental units that were damaged as a result of the storm; (b) build new rental housing that addresses an unmet need resulting from the storm; or (c) convert existing structures into affordable housing that addresses an unmet need resulting from the storm. This conversion may include conducting substantial rehabilitation and, as a result, transitioning market rate units to affordable units, changing a property that was not a rental housing use into permanent, affordable rental housing or rehabilitating vacant, dilapidated units.</p> <p>FRM – Second Round subsidy loans may be used in conjunction with 9% or 4% LIHTCs allocated by the Agency, HMFA Multi-Family Revenue Bond financing, HMFA conduit bond financing or may be used without these funding sources as stand-alone (CDBG funds only) financing.</p>
4. Resolution of Need	A Resolution of Need shall be submitted by the time of final commitment of funds, which is the date of Agency Board approval.
5. Selection Criteria	<p>FRM – Second Round funds shall be awarded to the highest ranking, eligible Applicants based on the following selection criteria (100 points total):</p> <ol style="list-style-type: none"> 1. <u>Readiness to Proceed (5 points)</u>. Projects that will start construction and/or close with their lender or syndicator within 90 days of the FRM – Second Round award shall receive 5 points. Applicant shall submit to the Agency a fully executed partnership/operating agreement, closing documents and/or photos of construction commencement within 90 days of the FRM –Second Round award. 2. <u>Sandy Damage (Up to 22 points)</u>. Projects in, or adjacent to, a municipality that sustained major or severe renter damage based on the attached “Major and Severe Renter Damage by Municipality” chart, shall receive up to 22 points according to the following scale: <ul style="list-style-type: none"> • Red municipalities: 22 points • Orange municipalities : 18 points • Yellow municipalities: 14 points • Green municipalities: 10 points • Blue municipalities: 6 points <p>If a project location town physically borders a town, or multiple towns, that appear on the attached chart, then for damage that project scores <i>the higher of</i> (i) half of the points allotted for the highest scoring physically bordering municipality, or (ii) its own points if the project location town appears in the attached chart.</p>

	FRM – Second Round Guidelines
	<p>3. <u>Impact of First Round CDBG-DR Funding through FRM (up to 20 points).</u> To encourage distribution of FRM –Second Round generally proportionate to the amount of renter damage sustained in each county as a result of Superstorm Sandy, up to 20 points shall be awarded as follows:</p> <ul style="list-style-type: none"> • 20 points shall be awarded to projects located within Monmouth or Ocean Counties • 16 points shall be awarded to projects located in Atlantic County • 12 points shall be awarded to projects in Hudson County • 9 points shall be awarded to projects located in Union or Bergen Counties • 6 points shall be awarded to projects located in Cape May County • 0 points shall be awarded projects located in all other counties <p>4. <u>Housing Type.</u> Up to 4 points shall be awarded for the following housing types:</p> <ul style="list-style-type: none"> • Family housing outside of TUMs: 4 points • Family housing within TUMs: 3 points • Senior housing: 2 points <p>5. <u>Supportive Housing (up to 15 points).</u> Projects that provide five units or 5% of the total project units, whichever is greater, as supportive housing units, as the term “supportive housing unit” is defined at <u>N.J.A.C. 5:80-33.2</u>, and that meet the criteria at N.J.A.C. 5:80-33.12(c)(14) shall receive 10 points.</p> <p>An additional 5 points shall be awarded to projects that agree to accept HUD Section 811 Supportive Housing for Persons with Disabilities - Project Rental Assistance (“PRA”), in the event this funding is awarded to the Agency and the New Jersey Department of Human Services under HUD’s FY 2013 Notice of Funding Availability (NOFA), FR 5700-N-28.</p> <p><u>Target Section 811 Populations:</u> Individuals between the ages of 18 and 62 with physical, psychiatric and/or developmental disabilities who seek to leave state psychiatric hospitals, developmental centers and nursing homes or who are at risk of institutionalization due to a lack of supportive housing that meets their needs.</p> <p><u>Use Restriction:</u> Housing assisted with Section 811 PRA must have a minimum 30-year use restriction for extremely low-income persons with disabilities. Please refer to the attached NOFA for additional details on the comprehensive requirements for participation in this program.</p> <p><u>PRA Awards:</u> The Section 811 Centralized Implementation and Monitoring Team (CIMT) will identify projects that would be marketable/desirable projects for participation on the Section 811 PRA program from the pool of successful FRM – Second Round applications. An award of FRM – Second Round funding under these selection criteria do not constitute a guarantee of a Section 811 PRA award; therefore, FRM – Second Round applications will not be underwritten assuming an award of Section 811 PRA.</p>

	FRM – Second Round Guidelines
	<p>6. <u>Provision of Social Services (Up to 6 points)</u>. Up to 6 points (2 points per service) shall be awarded for the provision of up to three social services for the term of the affordability period. Applicants shall support their claim to provide social services by providing those items set forth at <u>N.J.A.C. 5:80-33.15(a)5</u>.</p> <p>7. <u>Leveraging (Up to 10 points)</u>. Applicants that are able to leverage other funding sources to realize their projects shall receive up to 10 points based on the following sliding scale. For projects with LIHTC equity as a funding source, Applicants may value the LIHTCs using a tax credit equity pricing between \$0.93 and \$1.00 (if applicable). For purposes of this category, Total Development Cost (“TDC”) is defined as the cost to complete the development of the project:</p> <ul style="list-style-type: none"> • Less than 5% of TDC from non-CDBG-DR funds: 0 points • 5%-20% of TDC from non-CDBG-DR funds: 2 points • 20.01% - 40% of TDC from non-CDBG-DR funds: 4 points • 40.01% - 60% of TDC from non-CDBG-DR funds: 6 points • 60.01% - 80% of TDC from non-CDBG-DR funds: 8 points • 80.01%+ of TDC from non-CDBG-DR funds: 10 points <p>8. <u>Cost per Unit (Up to 9 points)</u>. Up to 9 points shall be awarded based on the amount of CDBG-DR funds requested per CDBG-DR eligible unit in accordance with the following scale:</p> <ul style="list-style-type: none"> • CDBG-DR request is \$40,000 or less per CDBG-DR eligible unit = 9 points • CDBG-DR request of \$40,001 - \$80,000 per CDBG-DR eligible unit = 6 points • CDBG-DR request of \$80,001 - \$120,000 per CDBG-DR eligible unit = 3 points • CDBG-DR request exceeding \$120,000 per CDBG-DR eligible unit = 0 points. <p>9. <u>Higher Opportunity Area (Up to 9 points)</u>. Each of the following is worth 3 points, up to a maximum of 9 points:</p> <ol style="list-style-type: none"> a. A project that is fully located within 1/2 mile of public transportation as documented in the project market study; b. A project that is fully located within a school district wherein 66% or more of the students are either proficient or advanced proficient on the NJ ASK 4 in both math and language arts based on data available from the New Jersey Department of Education as of the application deadline. The Agency shall rely upon the data effective in the calendar year of the Part A application deadline as well as the preceding year; and c. A project that is fully located within a municipality with public and private sector jobs that total at least 95% of the housing units. To confirm that a project satisfies this point category, the Agency shall use the annual average of total public and private sector jobs (including suppressed data) from the New Jersey Department of Labor Quarterly Census of Employment and Wages, Municipal Annual Reports, and the number of housing units according to the five-year American Community Survey, Table B25001, U.S. Department of the Census as of the Part A application deadline. NJHMFA shall rely upon the data effective in the calendar year of the Part A application deadline as well as the preceding year. d. Mixed income projects with a minimum 20% affordability component and minimum 40% market rate component.

	FRM – Second Round Guidelines
6. Tiebreaker	In the event of a tie score based on the Selection Criteria, FRM – Second Round funds shall be awarded to the Applicant requesting the least amount of CDBG-DR funds per CDBG-DR eligible unit.
7. Equitable Distribution	<p>A portion of all FRM funds shall be set-aside for the following counties using the following minimum percentages: Monmouth and Ocean Counties, 52 percent; Atlantic County, 20 percent.*</p> <p>Urban/Suburban*: At least 60 percent of all FRM funds will be initially reserved for projects outside Targeted Urban Municipalities (TUMs), which shall be defined pursuant to the definition in the rule adopted by the New Jersey Housing and Mortgage Finance Agency at N.J.A.C. 5:80-33.2, and the remainder shall be allocated to developments inside TUMs.</p> <p>Family/Senior*: A minimum of 60 percent of the units funded by all FRM funds shall be for families with children. FRM-funded units shall be affirmatively marketed to those people and groups “least likely to apply” as required by the New Jersey Qualified Allocation Plan as adopted at N.J.A.C. 5:80-33.12(c)15.</p> <p>Projects Outside the Nine Counties: No more than 20% of the available funds shall be awarded to projects outside of the nine most-impacted counties. As stated in Section 2 of these Guidelines, applications for projects located outside of the nine most-impacted counties shall include a narrative of how Superstorm Sandy affected the rental population in that county and why FRM – Second Round funds for the project are needed to serve Sandy impacted renters in the market area.</p> <p>Municipal limits: Given the widespread impact of Sandy on rental housing units, FRM awards shall be limited by municipality based on population levels. Awards from both FRM Round 1 and Round 2 shall be considered in evaluating these limits:</p> <ul style="list-style-type: none"> ▪ 1-100,000 people in the municipality = no more than 3 FRM –project awards, except with respect to Atlantic City, which may receive no more than 5 FRM project awards <ul style="list-style-type: none"> ○ Per the attached Major and Severe Renter Damage by Municipality chart, rental units in Atlantic City that sustained at least “major” damage approximately double that of the next highest municipality. For that reason, Atlantic City may receive no more than 5 FRM project awards. ▪ 100,001-200,000 people in the municipality = no more than 4 FRM projects awarded ▪ 200,001 people and higher in the municipality = no more than 5 FRM projects awarded <p>In the event that the number of projects located in a particular municipality that score enough points to be funded exceeds the municipal limits on FRM project awards as described immediately above, the Agency will fund the highest scoring project, or projects, in that municipality up to the applicable municipal limits.</p> <p>* In the event there are not enough eligible applications from the most underserved counties and/or outside of TUMs and/or serving families with children to result in these allocations as of the November 10, 2014 deadline, sufficient funds shall be reserved in subsequent rounds to meet those targets. If, after two subsequent funding rounds, the targets have not been met, FRM funds shall be allocated as required to generally meet the needs of low and moderate income households.</p>
8. Subsidy Loan Amounts/Maximum Award	Consistent with CDBG-DR Action Plan Amendment No. 7, the amount of the award will be based on underwriting the funding gap in the project rather than setting a maximum amount per unit. Standard Agency Underwriting Guidelines will apply. See the Multi-Family Underwriting Guidelines and Financing Policy.

	FRM – Second Round Guidelines
	FRM – Second Round subsidy loan amounts will be approved only after documentation of other sources of funding have been identified in accordance with Duplication of Benefits provisions of the federal Stafford Act. CDBG subsidy loan amounts cannot exceed the amount needed after other assistance for the project has been considered. Other assistance includes FEMA, Small Business Administration, insurance, and other assistance received or reasonably expected to be received for the project.
9. Types of Available Funding	<p>All Funds for FRM – Second Round subsidy funding will be provided to projects in the form of loans.</p> <p><u>Loan types:</u></p> <p>(1) Construction loans</p> <p>(2) Construction loans which convert to permanent financing;</p> <p>(3) Permanent loans for take-out financing.</p> <p>If needed, other loan types such as conditional bridge loans may be authorized to ensure project feasibility.</p>
10. Agency Mortgage Required	In the event any permanent mortgage debt is needed for any project funded by FRM – Second Round subsidy loan, the first mortgage loan must be an Agency-provided permanent mortgage loan.
11. Financing Term	Unless otherwise authorized, the financing term of FRM – Second Round subsidy loan shall match that of the Agency mortgage financing and/or the LIHTC requirement, whichever is applicable.
12. Security, Collateral and Lien Status	<p>Each FRM – Second Round subsidy loan shall be secured by a note and mortgage.</p> <p>A FRM – Second Round subsidy loan may take a subordinate position behind other lenders only where either: (a) the project is receiving no Agency financing; or (b) in the case of an Agency conduit bond financing.</p>
13. Mortgage Interest Rate	<p>FRM – Second Round subsidy loan provided during construction shall be at a 0% interest rate.</p> <p>FRM – Second Round subsidy permanent loans shall be at a 1% interest rate compounded annually.</p>
14. Cash Flow Repayments	<p>Interest will not accrue and repayment shall not begin until 2 years after the project is placed in service. Repayment of a FRM – Second Round subsidy loan for any project shall occur annually and shall be equal to 50% of available cash flow (or 25% of cash flow for SNHTF projects) remaining after the payment of operating expenses, required reserves and amortized mortgage debt service and at the earlier of 10 years or the payment of the deferred developer's fee. Upon maturity of the loan or upon expiration of the affordability controls, whichever comes first, the balance of any unpaid principal balance, together with all accrued interest thereon, shall become due and payable.</p> <p>Any deferred developer fee may be taken by the developer as return on investment, but only after the applicable FRM – Second Round subsidy loan repayment requirements have been met.</p> <p>The Agency will require the developer to submit annual financial statements to document the project's available cash flow.</p>
15. Debt Service Coverage Ratio	Projected cash flow repayments of FRM – Second Round subsidy loans shall not be included when calculating the debt service coverage ratio for multi-family mortgage financing and/or for LIHTCs. However, in all cases, the maximum mortgage

	FRM – Second Round Guidelines
	supportable at a minimum of 1.15 debt service ratio must be obtained before FRM – Second Round subsidy loan amounts will be determined.
16. Other Underwriting	Projects funded by FRM – Second Round subsidy loans must meet the requirements of the Agency multi-family underwriting guidelines and/or the LIHTC program, as applicable.
17. Priority for FEMA Registrants	Projects funded by FRM – Second Round shall be required to register the project with the Housing Resource Center. In addition, during the first 90 days of lease-up, priority shall be given to LMI applicants who were displaced by and/or experienced major or severe damage from Superstorm Sandy based on either FEMA registration or alternative proof of damage, impact or displacement, as to be further set forth in a policy to be adopted by HMFA.
18. Other Requirements	The project sponsor shall ensure that the project complies with all applicable federal and/or State statutory and regulatory requirements concerning, but not limited to, environmental review, fair housing, Section 3 of the Housing and Urban Development Act of 1968 compliance, compliance with the Davis-Bacon Act as well as all other labor standards provisions, and equal opportunity requirements and compliance with the Office of Management and Budget (“OMB”) Circular A-87, program income, and other CDBG-DR financial requirements.
19. Other Junior Financing and Subordinate Debt	Projects funded by FRM – Second Round subsidy loan must meet the requirements of the Agency multi-family underwriting guidelines and/or the LIHTC program, as applicable.
20. Project Fees	<p>Maximum limitations on the contractor fee and/or the developer fee shall be those placed on the project by the Agency multi-family underwriting guidelines and/or the LIHTC program.</p> <p>FRM – Second Round subsidy loan funds shall be reduced to ensure that the non-deferred portion of the developer fee for all projects shall not exceed 8 percent of the total development cost excluding acquisition (that is land and building), working capital, marketing expenses, escrows, operating deficit reserves, step-in-the-shoes costs and costs associated with syndication.</p>
21. Tenant Income Requirements	Projects funded by FRM – Second Round subsidy funds must meet the requirements of the Agency multi-family underwriting guidelines and/or the LIHTC program, as applicable.
22. Affordability Controls	<p>At least 50 percent of the units of each bedroom size in each FRM – Second Round development shall be affordable to households at or below 50 percent of Area Median Income, including that at least 10 percent of units of each bedroom size shall be affordable to households at or below 30 percent of Area Median Income. Up to 15 percent of housing funded in TUMs may be made available to households between 60%-120% of area median income.</p> <p>State Uniform Housing Affordability Control, N.J.A.C. 5:80, requirements on bedroom distribution shall control.</p> <p>Any loan agreement entered into for FRM – Second Round subsidy funds shall incorporate contractual guarantees and procedures to ensure that any unit of housing provided for low and moderate income households shall continue to be occupied by low and moderate income households for the greater of: 15-year affordability or the length of affordability and/or extended use period required by any non-FRM source of funding used in the project by deed restriction.</p>

	FRM – Second Round Guidelines
23. Energy Efficiencies and Green Building Standards	Projects funded by FRM – Second Round subsidy funds must meet the requirements of the Agency multi-family underwriting guidelines and/or the LIHTC program, as applicable as well compliance with ENERGY STAR (for new construction and reconstruction) or HUD Community Planning and Development (“CPD”) Green Building retrofit checklist (for rehabilitation).
24. No Cause Eviction	Unless required by federal statute or regulation, no household occupying, or which hereafter occupies, an affordable unit approved for FRM – Second Round funding shall be evicted solely because the household income rises above the initial income eligibility ceiling.
25. Authority to Approve award of Application	The Agency Board shall approve all awards.
26. LEP Marketing	To ensure access to persons with Limited English Proficiency (LEP), all FRM – Second Round-funded housing shall be marketed in English and the major foreign languages spoken in the county in which the project is located, as indicated in the attached chart.

Note: These guidelines may be amended from time to time due to changes in New Jersey Department of Community Affairs’ Community Development Block Grant Disaster Recovery Action Plan (the “Action Plan”). Please refer to the Agency’s website for the most current version of these guidelines.

**NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY
CONSTRUCTION ONLY FINANCING and
CONSTRUCTION AND PERMANENT FINANCING – (FRM 2nd ROUND)
DOCUMENT CHECKLIST**

*The Agency intends to provide financing for this project through the sale of taxable, tax-exempt bonds or any other funds available to the Agency. The requirements listed in Section I of this checklist must be satisfied prior to **Declaration of Intent**. The requirements listed in Section II of this checklist must be satisfied prior to a **Mortgage Commitment**. And the requirements in Section III of this checklist must be satisfied prior to the inclusion in a bond issue.*

**** If this project intends to receive financing for this project through additional Agency or Agency administered programs, additional requirements are noted on the attached list of program requirements that is hereby made a part of the Project Document Checklist. Additional requirements specific to the project may also be attached.**

Closing Targeting Schedule**

Targeted Closing Date:	
DOI Board Meeting Date	
Commitment Board Meeting Date	
Bond Documents Board Meeting Date	

Please keep in mind that this is a targeted schedule that is meant to assist you in reaching your closing goal. These dates are subject to change.

**Other Agency Financing: 1.	Date Closed:
2.	Date Closed:
3.	Date Closed:

DATE LAST UPDATED:

PROJECT NAME:

Project Address:

Block:

Type of Tax Credits:

Population:

Lot:

Set Aside:

of Units:

of Beds (SN):

Const. Period:

HMFA PROJECT NUMBER:

COMMITMENT EXPIRATION DATE:

PARALEGAL:

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Revised August 1, 2014 (AEB)

Phone #: Fax #: e-mail:

DAG:

Phone #: Fax #: e-mail:

MULTIFAMILY CREDIT OFFICER:

Phone #: Fax #: e-mail:

SPECIAL NEEDS DEVELOPMENT OFFICER:

Phone #: Fax #: e-mail:

GREEN OFFICE CONTACT:

Phone #: Fax #: e-mail:

SPONSORING ENTITY/BORROWER:

Contact Person:

Address:

City, State, Zip:

Phone#: Fax #: e-mail:

CONSULTANT (If applicable):

Address:

City, State, Zip:

Phone #: Fax #: e-mail:

BORROWER:

GENERAL PARTNER

INVESTOR PARTNER:

BORROWER'S ATTORNEY:

Address:

City, State, Zip:

Phone#: Fax #: e-mail:

ARCHITECT:

Address:

City, State, Zip:

Phone #: Fax #: e-mail:

GENERAL CONTRACTOR:

Address:

City, State, Zip:

Phone #: Fax #: e-mail:

MANAGING AGENT: n/a

Address:

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Revised August 1, 2014 (AEB)

City, State, Zip:

Phone #:

Fax #:

e-mail:

SOCIAL SERVICE PROVIDER (if Special Needs project)

Address:

City, State, Zip:

Phone #:

Fax #:

e-mail:

ACCOUNTANT:

Address:

City, State, Zip:

Phone #:

Fax#: e-mail:

OTHER:

Address:

City, State, Zip:

Phone #:

Fax #:

e-mail:

PLEASE NOTE: Documents consisting of more than ten (10) pages will not be accepted in PDF format by electronic transmittal. Please send hard copies of documents consisting of more than ten (10) pages.

Code to Document Requirements:

A - Document Received and Approved

NA - Not Applicable

R - Document Received and either (1) Under review or (2) Requires modification or update as indicated

** - An asterisk indicates that a New Jersey Housing and Mortgage Financing Agency form document must be used. Many forms are available on the NJHMFAs website: www.state.nj.us/dca/hmfa.*

Date - List date document was received. Once document is approved, replace this date with the date in which the document was approved.

Status - If document was not yet received, give a status of why document was not yet submitted. If document was received ("R"), then give the status of the approval process.

All items are required to be submitted by the sponsoring team unless otherwise noted.

I. REQUIREMENTS FOR DECLARATION OF INTENT

SPONSOR:

_____ UNIAP Application* *(For Special Needs projects, the population to served plus the service provider must be clearly identified in the application.)*

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Project Narrative including Overview of Scope of Work *(For any additional Agency financing programs, refer to program specific checklist for additional Project Narrative*

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Revised August 1, 2014 (AEB)

requirements.) (Date Received _____) (Date Approved _____)

STATUS: _____

____ Preliminary Proforma/Cash Flow (Agency Form 10)*
(Date Received _____) (Date Approved _____)

STATUS: _____

____ General Site Location Map & Directions
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Resume for Sponsor
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Evidence of Site Control
____ Deed dated
____ Option Agreement
____ Contract of Sale
____ Redevelopment Agreement
____ Ground Lease or Option to Enter into Ground Lease (keep in mind it is not the same as the Option Agreement listed above)
____ Condominium Requirements, if applicable:
____ Condominium Association By-laws
____ Master Deed
____ Certificate of Formation for Condominium Association
____ Other

Date Received _____ (Date Approved _____)

STATUS: _____

CONSTRUCTION DOCUMENTS:

____ Preliminary Drawings, (if applicable)
(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMFA (All documents in this section will be prepared by NJHMFA):

____ Site Inspection Report
(Date Received _____) (Date Approved _____)

STATUS: _____

II. REQUIREMENTS FOR MORTGAGE COMMITMENT

PLEASE NOTE: THE TECHNICAL SERVICES DIVISION WILL NOT BEGIN REVIEW UNTIL ALL

SPONSOR:

____ Formation Certificate for Sponsor/Borrower and Managing Entity, as applicable
(Advise NJHMFA prior to formation if contemplating an Urban Renewal entity N.J.S.A. 40A:20-1 et seq.)
____ Certificate of Limited Partnership
____ Certificate of Formation (Limited Liability Company)
____ Certificate of Incorporation (required for a corporate sponsor and for any corporate general partner or managing member and for any corporate limited partner assigning syndication proceeds)
____ Certificate of Formation for Managing Member, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Corporate Certification and Questionnaire*, as applicable
____ Sponsoring Entity/Borrower –
____ General Partner (Limited Partnership)
____ Managing Member (Limited Liability Company)
____ Other entity owning 10% or greater interest in sponsoring entity
____ Updating Affidavit for Questionnaire, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Personal Questionnaire for Directors and Officers of Sponsoring Entity/Borrower, Individuals Serving as General Partner or Managing Member, and any individual owning 10% or greater interest in sponsoring entity, or in the General Partner or Managing Member entity* *(For non-profit entities controlled by a Board of Directors, Personal Questionnaires should be provided for any officer of the Board.)*
____ Updating Affidavit for Questionnaire, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Criminal Background Check for Directors and Officers of Sponsoring Entity/Borrower, Individuals Serving as General Partner or Managing Member, and any individual owning 10% or greater interest in sponsoring entity, and General Partner or Managing Member entity* *(Any individual submitting a Personal Questionnaire must submit a Criminal Background Check. For non-profit entities controlled by a Board of Directors, Criminal Background checks should be provided for any officer of the Board.)*
(Search results are valid for 18 months from date received.)
(Date Received _____) (Date Approved _____)

STATUS: _____

- _____ **Environmental Preliminary Assessment Report** (pursuant to N.J.A.C. 7:26E-3.2) (Phase I)
In addition, the following are required for Existing Structures:
 ___ Lead Based Paint Report/Removal plan
 ___ Asbestos Containing Materials Report/Remediation plan
 ___ Radon testing/Remediation plan
 (Date Received _____) (Date Approved _____)
 STATUS: _____
- _____ **Environmental Report** (pursuant to N.J.A.C. 7:26E-3.3), (if applicable) (Phase II)
(Date Received _____) (Date Approved _____)
STATUS: _____
- _____ **Resolution Granting Preliminary AND Final Site Plan Approval, Subdivision and Any Zoning Variances from Municipality and County**, if applicable. *For Special Needs projects, refer to Special Needs Program document checklist requirements.*
(Date Received _____) (Date Approved _____)
STATUS: _____
- _____ **Street Vacation Ordinances** (Resolution with Proof of Publication), (if applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- _____ Municipal Resolution Granting Payments in Lieu of Taxes*, (if applicable) (***For Preservation Loan projects, refer to the Preservation Program document checklist requirements.***)
 ___ Agency statute is N.J.S.A. 55:14K-37.
 ___ The Long Term Tax Abatement falls under N.J.S.A. 40A:20-1 *et seq.*
(Date Received _____) (Date Approved _____)
STATUS: _____
- _____ Agreement for Payment in Lieu of Taxes*, (if applicable) (***For Preservation Loan projects, refer to the Preservation Program document checklist requirements.***)
(Date Received _____) (Date Approved _____)
STATUS: _____
- _____ Financing Commitments from Other Funding Sources (*List All*)
 ___ Equity Commitment
 ___ DCA Balanced Housing Funds: *Please contact Natasha Encarnacion, Housing Affordability Service ("HAS") Business Development Coordinator at NJHMF (609) 278-8834 for preparation of Developer's Rental Agreement, if applicable.*
 ___ Other:
 ___ Other:
(Date Received _____) (Date Approved _____)
STATUS: _____
- _____ Evidence of Denial of Other Funding Sources (*List All if Applicable*)

____ County Funds:
____ Municipality Funds:
____ FHLB:
____ LIHTC:
____ FEMA (if applicable):
____ Small Business Administration (if applicable):
____ Insurance (if applicable):
____ Other:
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Executed Rental Assistance Agreements, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Affirmative Fair Housing Marketing Plan* *(Not required for Special Needs projects, unless required by another Agency financing source.) (If seeking Agency bond financing & FRM financing, will need to submit both forms)*
____ HMFA Version
____ HUD Version
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Housing Resource Center (“HRC”) registration of project entity *(Not required for Special Needs projects, unless required by another Agency financing source.)*
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Tax Credit Projects: For only those projects receiving both special needs financing and tax credits, an analysis conducted by the applicant’s accountant of anticipated project cash flow and residual value demonstrating a reasonable prospect of repayment of all loans. This analysis shall incorporate the same assumptions utilized in the cash flow proforma submitted in the application, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Tax Credit Projects: For only those projects receiving both special needs financing and tax credits, an opinion of tax counsel in support of the dollar amount of the eligible basis for the project set forth in the application. Attached to this opinion, and incorporated therein, shall be the accountant’s analysis referenced above, if applicable.
(Date Received _____) (Date Approved _____)
STATUS: _____

_____ Resolution of Need from Municipality* (may be included in municipal resolution granting payments in lieu of taxes) (*Not applicable for projects with an existing Agency mortgage loan being refinanced under the Preservation Loan program. Resolution IS required for all other Preservation Loan projects not currently in the Agency's portfolio. Not required for Special Needs projects, unless required by another Agency funding source.*)
Date Received _____) (Date Approved _____)
STATUS: _____

ENERGY STAR:

_____ **Pre-Construction Authorization Letter** (If FRM, CDBG Green Building Letter of Intent)
Note: This documentation must be collected prior to commitment for projects that are not receiving construction financing from NJHMFA or will start construction prior to closing on construction. Please contact Pam DeLosSantos at 609-278-7627 for clarification.
(Date Received _____) (Date Approved _____)
STATUS: _____

_____ **HUD CPD Green Building Retrofit Checklist – FRM ONLY**
(Date Received _____) (Date Approved _____)
STATUS: _____

TAX CREDITS GREEN POINT:

_____ **Pre-Construction Authorization Letter**
Note: This documentation must be collected prior to commitment for projects that are not receiving construction financing from NJHMFA or will start construction prior to closing on construction funding. Please contact the Green Homes Office for clarification.
(Date Received _____) (Date Approved _____)
STATUS: _____

CONSTRUCTION DOCUMENTS:

_____ **Detailed Scope of Work** (Note: Any changes made to the scope of work must be approved by NJHMFA) *For Preservation Loan projects, refer to the Preservation Program document checklist requirements.*
(Date Received _____) (Date Approved _____)
STATUS: _____

_____ **Detailed Trade Payment Breakdown on AIA Form 703** (Schedule of Values) signed by General Contractor and based on the Final Contract Drawings (NOTE: Any changes to the Trade Payment Breakdown must be approved by NJHMFA.)
(Date Received _____) (Date Approved _____)
STATUS: _____

Architect/Engineer Documents:

_____ **Architect's Contract*** (Alternatively, if use of an AIA form permitted, CDBG Addendum to contract is required*)

For Bond or General Fund financing, Multifamily 5-25 or less bonded projects:

_____ *Agency Form of Construction Contract. CDBG addendum must be submitted.*

For FRM Only, Special Needs Only, Preservation, Multifamily 5-25 units or less non-bonded projects:

_____ *AIA Form of Construction Contract. Agency and CDBG Addendum must be submitted.*

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ **A certification from the design professional (i.e. Architect).** this certification can be in the form of a signed and sealed letter stating the known Advisory Flood Elevation (AFE) for the site, citing the reference flood map, and stating the proposed finished floor elevation indicating compliance with the applicable regulations. (FRM only)

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ **Construction Documents and Project Manual** (in Construction Specifications Institute "CSI" format) must be submitted and shall consist of Final (100%) Contract Documents showing all required construction details, cross-sections, and other information necessary to constitute a construction-ready set of project construction documents consistent with

the

construction contract. The drawing set must include, as a minimum:

- Approved Final Site Plans and Final Subdivision Plans (if applicable);
- Civil Engineering Drawings;
- Architectural Drawings;
- Mechanical/Electrical/Plumbing (MEP) Drawings;
- Structural Drawings;
- Fire Alarm/Suppression Drawings;
- All required construction details; and,
- A detailed project cost estimate by trade.

NOTE: For projects receiving CDBG financing, the Owner is required to adhere to Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794) and implementing regulations at 24 CFR Part 8 "Nondiscrimination Based on Handicap in Federally Assisted Programs and Activities of the Department of Housing and Urban Development". Therefore, the Project shall be designed to have 5% of the units accessible to persons with physical disabilities and 2% of the units be designed for the visually or hearing impaired, as called for in Section 504 of the Rehabilitation Act of

1973.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Architect's Errors and Omission Policy/Certificate of Insurance** (naming NJHMFA as Certificate Holder)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Geotechnical Engineering Report** (Soils Test), if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Survey** (2 Sealed Originals Certified to Sponsor, NJHMFA and Title Company)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Certified Land Description**

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Personal Certification and Questionnaire for Architect of Record *

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Corporate Certification and Questionnaire for Architectural Firm*

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Criminal Background Check for Architect of Record*

(Search results are valid for 18 months from date received.)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Confirmation of Availability of Utility Services** (electric, gas, water, sewer) (Letters should be within at least 6 months of anticipated Agency commitment)

____ Letter from Utility Companies

____ Letter from Utility Company confirming that individual metering systems will be installed within a meter room in the building, if applicable to the project type.

(Date Received _____) (Date Approved _____)

STATUS: _____

Contractor Documents:

____ **Executed Construction Contract***

(Note: Federal (Davis Bacon) prevailing wages must be paid for those projects receiving

CDBG funds. Evidence of payment of Davis-Bacon wages must be included in the construction contract.)

For Bond or General Fund financing, Multifamily 5-25 or less bonded projects:

_____ *Agency Form of Construction Contract. CDBG addendum must be submitted.*

For FRM Only, Special Needs Only, Preservation, Multifamily 5-25 units or less non-bonded projects:

_____ *AIA Form of Construction Contract. Agency and CDBG Addendum must be submitted.*

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ **Evidence of ability to obtain 100% Payment & Performance Bond** naming Sponsor and NJHMFA as Obligees (Will be required for Agency Construction Financing. For Agency Permanent Financing, Sponsor has the option of providing a 10% Letter of Credit or 30% Warranty Bond in lieu of Payment and Performance Bond.) *Note this guarantee will be required to exist for a period of two years post construction completion as determined by the Certificate of Occupancy date or Architect's Certificate of Substantial Completion, whichever is later. For Special Needs projects, refer to Special Needs Program document checklist requirements.*

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Corporate Certification and Questionnaire for Contractor*

_____ Updating Affidavit for Questionnaire, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Personal Certification and Questionnaire for Officers, Directors of Contractor and Individuals with Management Control, and individuals owning 10% or greater interest in contracting entity*

_____ Updating Affidavit for Questionnaire, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Criminal Background Check for Contractor's Officers, Directors and Individuals with Management Control, and individuals owning 10% or greater in contracting entity* (Search results are valid for 18 months from date received.)

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ **Contractor's Liability Insurance Certificate** (naming Sponsor and NJHMFA as Additional Insured)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Certificate of Formation
(Date Received _____) (Date Approved _____)
STATUS: _____

____ COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY (CDBG-DR) OWNER
CERTIFICATION
(Date Received _____) (Date Approved _____)
STATUS: _____

NJHMFA (All documents in this section will be prepared or obtained by NJHMFA):

____ CDBG-FRM POINT SYSTEM SCORE SHEET
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Appraisal/Market Study
(*not applicable for FRM-PHA only Projects*)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Updated Appraisal/Market Study, (If applicable)
(*not applicable for FRM-PHA only Projects*)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Board Resolution for Declaration of Intent
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Declaration of Intent Letter
(Date Received _____) (Date Approved _____)
STATUS: _____

III. ADDITIONAL REQUIREMENTS FOR INCLUSION IN A BOND SALE

NOTE: If the project will not receive bond funds or an interest rate lock, the following items will be required for closing in addition to the items noted in Section IV of this checklist.

SPONSOR:

____ Current Operations Agreement for, as applicable:

_____ Sponsoring Entity (By-laws: Corporation; Partnership Agreement: Limited Partnership; Operating Agreement: Limited Liability Company. Must contain NJHMFA Statement – see end of checklist for language)

_____ General Partner or Managing Member of Sponsoring Entity
(Date Received _____) (Date Approved _____)

STATUS: _____

_____ DRAFT Operating Agreement with all Exhibits attached for Sponsoring Entity as it will exist once Limited Partner investor/Investor Member is included.

(Date Received _____) (Date Approved _____)

_____ Also need for General Partner/Managing Member if not same as original sponsoring entity.

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Certificate of Good Standing, from State of Formation, for Sponsoring Entity and All General Partner(s) or Managing Member(s) and for Limited Partner(s) Assigning Syndication Proceeds (Note: Update may be required for closing depending on timing.), Current within six (6) months of estimated **bond sale and/or closing**

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ New Jersey Secretary of State Authorization to do Business in New Jersey for any Out-of-State Sponsoring Entity

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ TEFRA Certification (TEFRA Sheet) (tax-exempt projects only)*

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Evidence of Availability of Tax Credits

_____ 42M Letter (for projects using tax-exempt financing) OR

_____ Reservation Letter (for projects awarded competitive tax credits)

_____ Carryover Allocation or Binding Forward Commitment or 8609

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Sales Tax Exemption Certificate* (state forms), (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Evidence of Perfection of Subdivision (recorded subdivision deeds or filed subdivision map), if applicable.

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Title Insurance Commitment and Title Related Requirements (updates required for closing)
Commitments needed for each Agency or Agency administered loan closing. For Special Needs project receiving Grant financing or HUD 811 funds, see Special Needs Document Checklist for title requirements.

NOTE: *Affirmative insurance required for any exceptions in commitment that will remain at the time of closing.*

_____ Tax Search
_____ Field Notice of Settlement
_____ Assessment Search
_____ Municipal Water/Sewer Utility Search
_____ Evidence of payment of taxes, if applicable
_____ Evidence of payment of utilities, if applicable
_____ Judgment Search
_____ Sponsoring Entity
_____ General Partner(s)/Managing member(s)
_____ Corporate Status and Franchise Tax Search, if applicable
_____ Tidelands and Wetlands Search
_____ Flood Hazard Area Certification
_____ Closing Protection Letter for Title Officer Attending Closing
_____ Survey Endorsement insuring final survey without exceptions
_____ Title Rundown Confirmation (in writing)
_____ Copies of All Instruments of Record
_____ First Lien Endorsement, (and/or Second Lien, etc.,) if applicable
_____ Environmental 8.1 Endorsement
_____ Evidence of payment of current condominium fees/assessments, if applicable
_____ Arbitration Endorsement
Additional Endorsements as may be required depending on project type :
_____ ALTA 13.1 - Leasehold endorsement, if applicable
_____ ALTA 9 – Restrictions, Encroachments, Minerals, if applicable
_____ ALTA 18 Multiple Parcels Endorsement (if scattered site project)
_____ ALTA 5.1 – Planned Unit Development, if applicable
_____ Condominium Endorsement, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Construction Draw Schedule with Order of Draw*
(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Cash or Letter of Credit for Negative Arbitrage and/or Cost of Issuance **(at time of Bond Sale Only)**
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Owners Tax Certificate (original to go to Bond Counsel, copy to the Agency)
Confirmation of bond counsel approval required.
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Attorney Opinion Letter (for bond sale, **for rate lock if rate lock occurs outside of bond sale**; additional opinion required for loan closing)
(Date Received _____) (Date Approved _____)

STATUS: _____

Contractor Documents:

____ Certificate of Good Standing from State of Formation (current within six (6) months of anticipated **bond sale**)
(Date Received _____) (Date Approved _____)

STATUS: _____

____ New Jersey Secretary of State Authorization to do Business in New Jersey for Out-of-State Contractor, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Building Permits (or letter that building permits will be issued but for payment of fee)
(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMFA (All documents in this section will be prepared by NJHMFA):

____ Bond Letter with Bond Proforma/Cash Flow (Agency Form 10)* (**at time of Bond Sale Only**)
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Construction and Permanent Financing Agreement*
____ Rate Lock Addendum, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Satisfaction of Agency Board Commitment Requirements, if any, unless specifically noted as loan closing requirements.
(Date Received _____) (Date Approved _____)

STATUS: _____

- ____ Board Resolution Authorizing Mortgage Commitment and Commitment Proforma/Cash Flow (Agency Form 10)*, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Commitment Letter and Indemnification Deposit (Commitment Letter to be executed by Sponsor and returned with Deposit within 10 days of mortgage commitment)*, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Board Resolution Authorizing Mortgage Re-Commitment and Re-Commitment Proforma/Cash Flow (Agency Form 10)*, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Re-Commitment Letter and Re-Commitment Fee (Re-Commitment Letter to be executed by Sponsor and returned with Fee within 10 days of mortgage re-commitment)*, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____

IV. CLOSING REQUIREMENTS (All items are due at least two weeks before anticipated closing date.)

SPONSOR:

- ____ Satisfaction of Agency Board Commitment Closing Requirements, if any
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Guaranty for loan repayment during construction period, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ For Scattered Site projects only: Guaranty for loan repayment for Scattered Site projects, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

- ____ Final Executed Operations Agreement with all Exhibits attached for Sponsoring entity and General Partner(s) or Managing Member(s) (as applicable) (Final needed at Closing)
____ Partnership Agreement (LP) with HMFA Statement
____ Operating Agreement (LLC) with HMFA Statement
____ By Laws (Corporation) with HMFA Statement (*HMFA Statement required for sponsoring entity only*)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Sponsor Resolution to Open Construction Bank Account, if applicable
(*NOTE: Only required for HMFA construction financing; not required for Home Express construction financing.*)
____ Bank Account Signature Cards, if required by bank where account is held
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Checks and Wiring Instructions for Construction Bank Account (to include signature line for NJHMFA), (If applicable)
(*NOTE: Only required for HMFA construction financing; not required for Home Express construction financing.*)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Copies of Loan Documents from other funding sources, (If applicable)
____ DCA Balanced Housing Developer's Rental Agreement executed by Sponsor, NJHMFA Executive Director, and HAS Business Development Coordinator.
Please contact Natasha Encarnacion, Housing Affordability Service ("HAS") Business Development Coordinator at NJHMFA (609) 278-8834 for preparation of Developer's Rental Agreement, if applicable.
____ Other:
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Written confirmation from investor that investment/syndication closing conditions have been fully satisfied and investor is prepared to proceed to closing, if applicable.
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Owner's / Developer's Commercial General Liability Insurance – Credit Enhancer written approval.
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Builder's Risk Insurance Certificate (naming NJHMFA as First Mortgagee, Additional Insured and Loss Payee) meeting Agency Builder's Risk Insurance Specifications
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Flood Insurance Certificate and Policy, if applicable (naming NJHMFA as First Mortgagee, Additional Insured and Loss Payee)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Seller's Affidavit of Title and Corporate Resolution to Sell (if applicable – Ground Lease)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Mortgagor's and/or Grantee's Affidavit of Title*
____ For Agency or Agency administered construction financing, if applicable
____ For Agency or Agency administered permanent financing, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Resolution to Borrow*/Resolution to Accept Grant Funds*, as applicable
____ For Agency or Agency administered construction financing, if applicable
____ For Agency or Agency administered permanent financing, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Counsel Opinion from Sponsor, Attorney* **for loan closing. This opinion is required in addition to the opinion required for bond sale inclusion.**
____ For Agency or Agency administered construction financing, if applicable
____ For Agency or Agency administered permanent financing, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Payoff Letter for Any Mortgages or Other Liens to be Discharged
(Date Received _____) (Date Approved _____)
STATUS: _____

____ CPA Engagement Agreement*, (If applicable. This requirement is not applicable for project receiving only Special Needs financing.)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Closing Bills: invoices for payment; paid invoices and cancelled checks for reimbursement
(Date Received _____) (Date Approved _____)
STATUS: _____

===== New Jersey Division of Taxation Tax Clearance Certificate (for ownership/borrowing entity)
(As of January 28, 2008, all entities receiving financing from a state agency must submit an application for tax clearance with the Division of Taxation. Project sponsors should obtain

*the application form from the HMFA paralegal assigned to their project and submit the application to the Division of Taxation no more than 90 days prior to anticipated closing. The Division of Taxation will issue a Certificate of Approval directly to HMFA, which will be valid for a period of 180 days. After 180 days, an updated application must be submitted. **Please note as of March 1, 2009, a fee of \$75.00 must be paid to the Division of Taxation for the processing of all applications. The \$75.00 will cover updates provided they are requested within one year of the payment of the fee. Applications requiring expedited processing will pay a fee to Taxation of \$200.00)***

Date of Clearance: _____ *(Valid for 180 days)*

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Housing Resource Center ("HRC") registration of project. For Multifamily residential rental projects *(Not required for Special Needs projects, unless required by another Agency funding source.)*

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ HUD Environmental (ERR)

_____ Form 7015.16 – Environmental signoff from HUD

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Confirmation of Availability of Utility Services (electric, gas, water, sewer)

_____ NJ DEP Treatment Works Approval (Sewer), if applicable

_____ Wetlands Approval, if applicable

_____ CAFRA Approval

_____ Pinelands Approval, if applicable

_____ Resolution from Municipal/County Authority, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

Architect/Engineer Documents:

_____ Final Contract Drawings and Specifications, if updated since previously provided

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Evidence of completion of Environmental Remediation Plans, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

Contractor Documents:

This memorandum contains advisory, consultative and deliberative material and is intended only for the person(s) named as recipient(s).

Revised August 1, 2014 (AEB)

____ Termite Certification (for rehab) or Certification from Contractor that Treated Lumber will be Used (for New Construction), if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

____ 100% Payment and Performance Bond naming Sponsor and NJHMFA as Oblige*
(Required for Agency Construction Financing. For Agency Permanent Financing, Sponsor has the option of providing a 10% Letter of Credit or 30% Warranty Bond in lieu of Payment and Performance Bond) *Note this guarantee will be required to exist for a period of two years post construction completion as determined by the Certificate of Occupancy date or Architect's Certificate of Substantial Completion, whichever is later.* **BOND IS TO STATE THE NAME OF THE PROJECT, HMFA #, STREET ADDRESS AND LOT/BLOCK DESIGNATION ON FIRST PAGE.**

For Special Needs projects, refer to Special Needs Program document checklist requirements.

A.M. Best Rating for Surety Provider: _____
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Verified List of Subcontractors signed by General Contractor
(Date Received _____) (Date Approved _____)
STATUS: _____

NJHMFA:

____ Closing Proforma/Cash Flow (Agency Form 10)* **Please note that a closing date will not be scheduled until a Closing Proforma has been finalized with the Agency.**
____ Final Source & Uses Acknowledgement
____ For Agency or Agency administered construction financing, if applicable.
____ For Agency or Agency administered permanent financing, if applicable.
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Closing Statement
____ For Agency or Agency administered construction financing, if applicable.
____ For Agency or Agency administered permanent financing, if applicable.
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Receipt of Other Funding Sources, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Loan Documents* *For any additional Agency financing programs, refer to program specific checklist for additional loan documents required.*
____ Financing, Deed Restriction and Regulatory Agreement

____ Mortgage Note
____ Mortgage & Security Agreement
____ Assignment of Leases
____ UCC-1 Financing Statements
____ Assignment of Syndication Proceeds signed by Investor and Sponsor, if applicable
____ Disbursement Agreement, if applicable
____ Escrow Closing Agreement, if applicable
____ Other: _____
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Tax Credits, if applicable:
Written confirmation that all requirements for Tax Credits have been received. This includes payment of all required fees.
(Date Received _____) (Date Approved _____)
STATUS: _____

____ W-9 Escrow Account forms* for Borrower/Buyer, *if applicable*.
(Date Received _____) (Date Approved _____)
STATUS: _____

V. POST-CLOSING (for Construction Only Financing) or PERMANENT LOAN CLOSING REQUIREMENTS (for Conversion from Construction to Permanent Financing, or permanent loan closing from an Agency or Agency-administered source taking out an Agency or Agency-administered construction source)

____ Updates to any date sensitive documentation, including:
____ Tax Clearance Certificate
____ Criminal Background Checks
____ Certificate of Good Standing for all entities, as required
____ Other: _____
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Tax Credits, if applicable:
Written confirmation that all requirements for Tax Credits have been received. This includes payment of all required fees, if applicable.
(Date Received _____) (Date Approved _____)
STATUS: _____

MANAGEMENT AGENT:

____ Management Agreement Package* (*in triplicate*) Forms available on NJHMFAs website:
<http://www.state.nj.us/dca/hmfa>

____ Self-Managed (NJHMFA form MD 103.2)

____ Broker Managed (NJHMFA form MD 103.1)

For any additional Agency financing programs, refer to program specific checklist for additional loan documents required.

(Date Received _____) (Date Approved _____)

STATUS: _____

SPONSOR:

____ Certificate of Occupancy covering all units, *if applicable*

DATE OF CERTIFICATE OF OCCUPANCY: _____

(Date Received _____) (Date Approved _____)

STATUS: _____

____ DCA Owner's (Building) Registration, if applicable (if not provided in Property Management's Management Agreement Package, or for existing building)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Final As-Built Survey (2 sealed originals certified to Sponsor, HMFA and Title Insurance Company showing as-built condition of property including location of all buildings), (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Final As-Built Drawings, (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Architect's Certificate stating that all warranties and maintenance manuals have been delivered to and received by the Sponsor, (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Architect's Certificate of Substantial Completion (AIA form), *If applicable.*

DATE OF SUBSTANTIAL COMPLETION: _____

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Title Policy (Post Closing)

For Special Needs projects receiving a Grant, a copy of the loan policy issued to HUD or other first mortgage lender is acceptable.

(Date Received _____) (Date Approved _____)

STATUS: _____

- ____ Recorded Documents (Post Closing)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Insurance Policy covering Project naming HMFA as: a) First Mortgagee, b) Lender Loss Payable and c) additional Insured; must meet Agency insurance specifications; original policy with paid receipt required) **PLEASE NOTE: The Agency's Insurance Division requires a full 30 days to review insurance submissions. Please keep this in mind when anticipating a closing date.** (Note that an insurance certificate is not sufficient to meet this requirement. If a full insurance policy is temporarily unavailable, closing may occur if a letter is submitted from the insurance provider (not the broker) confirming that the insurance agent has the authority to bind the provider insuring the project under the Cert. of Insurance.)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Final Release and Waiver of Liens and Affidavit of General Contractor*
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Releases from all subcontractors* (for subcontracts valued at \$10,000 or above), if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Construction Cost Audit from Contractor, or audit document as otherwise approved by the Agency (may apply to Special Needs Projects)
(Date Received _____) (Date Approved _____)
STATUS: _____

ENERGY STAR:

- ____ Post-Construction Authorization Letter
(Date Received _____) (Date Approved _____)
STATUS: _____
Note: This documentation must be collected prior to closing on permanent financing or at post-closing for projects with construction-to-permanent financing. Please contact the Green Homes Office for clarification.
- ____ HERS Rater Contract (Tax Credits or FRM Financing)
(Date Received _____) (Date Approved _____)
STATUS: _____

TAX CREDITS GREEN POINT

- ____ Post-Construction Authorization Letter

(Date Received _____) (Date Approved _____)

STATUS: _____

***Note:** This documentation must be collected prior closing on permanent financing or at post-closing for projects with construction-to-permanent financing. Please contact the Green Homes Office for clarification.*

NJHMFA:

_____ Loan Documents*, if applicable, for Permanent loan closing, if Agency or Agency administered construction financing has already closed. *(For any additional Agency financing programs, refer to program specific checklist for additional loan documents required.*

_____ Financing, Deed Restriction and Regulatory Agreement

_____ Mortgage Note

_____ Mortgage & Security Agreement

_____ Assignment of Leases

_____ UCC-1 Financing Statement

_____ Assignment of Syndication Proceeds signed by Investor and Sponsor, if applicable

_____ Disbursement Agreement, if applicable

_____ Escrow Closing Agreement, if applicable

_____ Tax Credit Deed of Easement and Restrictive Covenant, if applicable

_____ Errors and Omissions Statement

_____ Other: _____

(Date Received _____) (Date Approved _____)

STATUS: _____

VI. FINAL MORTGAGE CLOSEOUT

SPONSOR:

_____ Consent of Surety to final payment to Contractor (AIA form), if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Title rundown through date of final disbursement
(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Sponsor's Development Cost Audit (or audit document as otherwise approved by the Agency (may apply to Special Needs Projects)
(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMFA:

_____ Final Mortgage Closing Statement
(Date Received _____) (Date Approved _____)
STATUS: _____

NJHMFA Provisions to By-Laws of Corporation:

The Corporation acknowledges that any review of the provisions of these By-Laws by the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") is performed in accordance with its responsibility as Lender and is intended only to assure that the Corporation is validly formed according to law, with the legal authority to borrow the funds which will constitute the NJHMFA Mortgage Loan and to operate the Property securing the NJHMFA Mortgage Loan. Notwithstanding any other provisions herein, the Corporation acknowledges and agrees that as a condition of obtaining the NJHMFA Mortgage Loan, that the NJHMFA statutes, rules and regulations and all the financing documents in connection with the NJHMFA Mortgage Loan, are applicable to the Corporation and the Property securing the NJHMFA Mortgage Loan. The Corporation further acknowledges that, except as contained in this Section, the NJHMFA makes no representations express or implied, as to these By-Laws; and the Corporation and the Shareholders shall not rely upon the NJHMFA review of these By-Laws.

HMFA Provisions to Partnership Agreements:

The Partnership acknowledges that any review of the provisions of this Agreement by the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") is performed in accordance with its responsibility as Lender and is intended only to assure that the Partnership is validly formed according to law, with the legal authority to borrow the funds which will constitute the NJHMFA Mortgage Loan and operate the Property securing the NJHMFA Mortgage Loan. Notwithstanding any other provisions herein, the Partnership acknowledges and agrees that as a condition of obtaining the NJHMFA Mortgage Loan, that the NJHMFA statutes, rules and regulations and all the financing documents in connection with the NJHMFA Mortgage Loan, are applicable to the Partnership and the Property securing the NJHMFA Mortgage Loan. The Partnership further acknowledges that, except as contained in this Section, the NJHMFA makes no representations express or implied, as to this Agreement; and the Partnership and the Partners shall not rely upon the NJHMFA review of this Agreement.

NJHMFA Provisions to Operating Agreement of Limited Liability Company (L.L.C.):

The Company acknowledges that any review of the provisions of this Operating Agreement by the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") is performed in accordance with its responsibility as Lender and is intended only to assure that the Company is validly formed according to law, with the legal authority to borrow the funds which will constitute the NJHMFA Mortgage Loan and to operate the Property securing the NJHMFA Mortgage Loan. Notwithstanding any other provisions herein, the Company acknowledges and agrees that as a condition of obtaining the NJHMFA Mortgage Loan, that the NJHMFA statutes, rules and regulations and all the financing documents in connection with the NJHMFA Mortgage Loan, are applicable to the Company and the Property securing the NJHMFA Mortgage Loan. The Company further acknowledges that, except as contained in this Section, the NJHMFA makes no representations express or implied, as to this Operating Agreement; and the Company and the Members shall not rely upon the NJHMFA review of this Operating Agreement.

Technical Services Requirements for
Monitoring Project Construction

Whether the HMFA is making a permanent take-out loan or a construction and permanent loan, it requires that

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its Technical Services Division monitor the construction of the project. Listed below are the HMFA requirements please read carefully and be prepared to provide the necessary documentation and co-operation.

Contract Documents

Those documents that comprise a construction contract, the owner/developer-contractor agreement, conditions of the contract {general, supplementary, and other conditions}, plans and specifications, all addenda, modifications, and changes thereto, together with any other items stipulated as being specifically included.

Architect's Contract

That document that outlines the performance of architectural services, including analysis of project requirements, creation and development of the project design, preparation of drawings, specifications, and bidding requirements and the general administration of the construction contract. As the owner/developer's representative, the design professional should participate in the process by observing and administering the contract for construction including job site inspection, attendance at job site meetings, the creation of meeting minutes, shop drawing review, change order review, punch list inspections and so on.

Summary Trade Payment Breakdown

This document divides the total cost of construction, as established by the construction contract, into various segments related to a specific trade. This "breaking down" of the total cost of construction is reflected on the application for payment and simplifies the determination of a percentage of work complete for the purpose of making payments to the contractor.

Detailed Trade Payment Breakdown

This document further divides and refines the Summary Breakdown above into its constituent parts. For example, the plumbing line on the summary breakdown would be further developed to show its component parts including potable and nonpotable water piping, sanitary piping, gas piping, toilet and bath fixtures, kitchen fixtures, and so on. This detailed information further enhances our ability to review project costs as well as to determine a percentage of work complete for the purpose of making payments to the contractor.

Shop Drawings

These documents can be drawings, diagrams, illustrations, schedules, performance charts, brochures, and other data prepared by the contractor or any subcontractor, manufacturer, supplier, or distributor, which illustrate specific portions of the work and how they will be fabricated and installed. The contract documents usually allow for a number of choices in many portions of the work. The shop drawings are the approved choice of the owner/developer and their professional and consultants and become the reference for Agency inspections during construction.

Payment Requisitions

The contractor prepares the application according to the approved Summary Trade Payment Breakdown or Schedule of Values. The contractor submits it to the design professional for approval. The design professional reviews the application in light of his/her own observations and records and certifies an amount that he/she feels is appropriate. If the HMFA is providing construction financing, then the application for payment is reviewed and approved by a Field Representative and the Director of Technical Services. Otherwise, the requisition is provided for information purposes only.

Change Orders

A written order to the contractor signed by the owner and the architect, issued after the execution of the contract, authorizing a change in the work and/or an adjustment in the contract sum. These changes may add to, subtract from, or vary the scope of the work. Change orders may also be used to adjust the contract time as originally defined

by the contract documents. If the Agency is providing construction financing, then change orders are approved by a Field Representative and the Director of Technical Services. Otherwise, any change orders are provided for informational purposes only.

Drawing Revisions and/or Clarification Sketches

The design professional, as the author of documentation that delineates the final design of the project, is the appropriate administrator of decisions regarding their interpretation. Often, this interpretation and clarification is provided to the contractor in the form of revised drawings with “clouded” areas or by providing smaller sketches which clarify missing or confusing details. These documents enhance or build upon the contract documents and should be provided to the Agency for informational purposes and for use by field staff during project inspection.

Prevailing Wage Reports

If the HMFA is providing construction financing the contractor and its subcontractors are required to submit certified payroll reports to the Director of Technical Services. These reports will be compared to the prevailing wage within the contract documents. Otherwise, these documents are not required.

Administrative Questionnaires

If the HMFA is providing construction financing, the contractor and its subcontractors are required to complete and submit personal and corporate questionnaires. Otherwise, these documents are not required.

Subcontracts over \$25,000.

If the HMFA is providing construction financing, the contractor is required to submit fully executed subcontracts in excess of \$25,000. Those documents will be reviewed by the Director of Technical Services for compliance with the contract documents. Otherwise, these documents are not required.

Preconstruction Meeting

*A meeting should be held prior to the notice to proceed being issued. These meetings provide an opportunity to clear up any unfulfilled requirements, define the role of the various members of the construction team, as well as simply providing everyone a chance to get acquainted. **Many loose ends can be tied up in a timely manner at these meetings and they are highly recommended.***

Notice to Proceed

This document is a written communication issued by the owner to the contractor authorizing him/her to proceed with the work. This notice establishes the date of commencement of the work and is directly related to the contractor's time of performance and the assessment of damages and/or delay claims, if applicable. The start date is necessary to create a production schedule and to monitor the contractor's performance and its compliance with the contract documents.

Construction Schedule

The construction schedule sets forth the contractor's estimate of the completion of the project. One of the functions of this document should be to indicate the approximate degree of completion that the owner and lender can expect at each application for payment. In those instances when the Agency is providing permanent financing, the schedule provides insight regarding date of closing, the need to recommit, or the date of occupancy.

Minutes of Meetings

A record of meetings between the parties to the contract is a very important resource. During job meetings discussions can cover a wide range of topics including quality and quantity of work performed to date, change orders, requests for clarification by the contractor to the professional or owner, delays, payments, and so on. Technical Services routinely receives them for construction financed projects and should receive them on all of our permanent financed deals, as well.

Architect's Field Report

AIA Document G711 is designed to document the design professional's compliance with the duty of periodic job site
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inspections. [The Professional may choose to use his/her own form.] These inspections may identify problems with the work and certain corrective actions to be taken ultimately leading to the issuance of Supplemental Instructions.

Bank Inspector's Report

If a lender other than the Agency makes construction inspections, Technical Services would like to be provided copies of these reports for our review and possible comment.

**NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY
CONSTRUCTION ONLY FINANCING and
CONSTRUCTION AND PERMANENT FINANCING - (CONDUIT & FRM 2nd Round)
DOCUMENT CHECKLIST**

*The Agency intends to provide financing for this project through the sale of taxable, tax-exempt bonds or any other funds available to the Agency. The requirements listed in Section I of this checklist must be satisfied prior to **Declaration of Intent**. The requirements listed in Section II of this checklist must be satisfied prior to a **Mortgage Commitment**. And the requirements in Section III of this checklist must be satisfied prior to the **inclusion in a bond issue**.*

All items are required to be submitted by the sponsoring team unless otherwise noted.

***PLEASE NOTE** the Conduit Bond Program remains a demonstration program for the Agency at this time. The Agency reserves the right to require additional documentation as deemed necessary throughout this conduit bond demonstration program.*

Closing Targeting Schedule**

Targeted Closing Date:	
DOI Board Meeting Date	
Commitment Board Meeting Date	
Bond Documents Board Meeting Date	

Please keep in mind that this is a targeted schedule that is meant to assist you in reaching your closing goal. These dates are subject to change.

**Other Agency Financing: 1.	Date Closed:
2.	Date Closed:
3.	Date Closed:

DATE LAST UPDATED:

PROJECT NAME:

HMFA PROJECT NUMBER:

Project Address:

Block:

Lot:

of Units:

of Beds (SN): 0

Type of Tax Credits:

Set Aside:

Const. Period:

Population:

Type of Conduit Bond: (**DIRECT PURCHASE/PLACEMENT; FANNIE MAE/FREDDIE ENHANCED; CASH COLLATERAL DEAL, ETC.**)

COMMITMENT EXPIRATION DATE:

PARALEGAL:

Phone #:

Fax #:

e-mail:

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MULTIFAMILY CREDIT OFFICER:

Phone #: **Fax #:** **e-mail:**
AGENCY Capital Markets:

DEPUTY ATTORNEY GENERAL (Capital Markets):

e-mail:

DEPUTY ATTORNEY GENERAL (Multifamily):

e-mail:

SPECIAL NEEDS DEVELOPMENT OFFICER:

Phone #: **Fax #:** **e-mail:**

GREEN OFFICE CONTACT:

Phone #: **Fax #:** **e-mail:**

SPONSORING ENTITY/BORROWER:

Contact Person:

Phone#: **Fax #:** **e-mail:**

CONSULTANT:

Address:

Phone #: **Fax #:** **e-mail:**

BORROWER:

GENERAL PARTNER

INVESTOR PARTNER:

BORROWER'S ATTORNEY:

Address:

City, State, Zip:

Phone#: **Fax #:** **e-mail:**

ARCHITECT:

Address:

Phone #: **Fax #:** **e-mail:**

GENERAL CONTRACTOR:

Address:

Phone #: **Fax #:** **e-mail:**

MANAGING AGENT:

Address:

Phone #: **Fax #:** **e-mail:**

SOCIAL SERVICE PROVIDER (if Special Needs project):

ACCOUNTANT:

Address:

Phone #: **Fax#:** **e-mail:**

BOND COUNSEL:

Phone#: **Fax #:** **e-mail:**

UNDERWRITER:

Phone#: **Fax #:** **e-mail:**

UNDERWRITER'S COUNSEL:

Phone#: **Fax #:** **e-mail:**

LOAN SERVICER:

Phone#: **Fax #:** **e-mail:**

LOAN SERVICER'S COUNSEL:

Phone#: **Fax #:** **e-mail:**

CREDIT ENHANCEMENT PROVIDER:

Phone#: **Fax #:** **e-mail:**

CREDIT ENHANCEMENT PROVIDER'S COUNSEL:

Phone#: **Fax #:** **e-mail:**

TAX CREDIT SYNDICATOR:

Phone#: **Fax #:** **e-mail:**

TAX CREDIT SYNDICATOR'S COUNSEL:

Phone#: **Fax #:** **e-mail:**

TRUSTEE: US BANK

TRUSTEE'S COUNSEL:

Phone#: **Fax #:** **e-mail:**

TITLE COMPANY:

Phone#: **Fax #:** **e-mail:**

PLEASE NOTE: Documents consisting of more than ten (10) pages will not be accepted in PDF format by electronic transmittal. Please send hard copies of documents consisting of more than ten (10) pages.

Code to Document Requirements:

A - Document Received and Approved

NA - Not Applicable

R - Document Received and either (1) Under review or (2) Requires modification or update as indicated

** - An asterisk indicates that a New Jersey Housing and Mortgage Financing Agency form document must be used. Many forms are available on the NJHMFAs website: www.state.nj.us/dca/hmfa.*

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Date - List date document was received. Once document is approved, replace this date with the date in which the document was approved.
Status - If document was not yet received, give a status of why document was not yet submitted. If document was received ("R"), then give the status of the approval process.

All items are required to be submitted by the sponsoring team unless otherwise noted.

I. REQUIREMENTS FOR DECLARATION OF INTENT

___ UNIAP – Low Income Housing Tax Credit Application for Current Year (if applicable)
(Date Received _____) (Date Approved _____)

STATUS: _____

___ Project Narrative, including Overview of Scope of Work. *(For any additional Agency financing programs, refer to program specific checklist for additional Project Narrative requirements.)*
(Date Received _____) (Date Approved _____)

STATUS: _____

___ Preliminary Proforma/Cash Flow (Agency Form 10)*
(Date Received _____) (Date Approved _____)

STATUS: _____

___ General Site Location Map & Directions
(Date Received _____) (Date Approved _____)

STATUS: _____

___ Resume for Sponsor
(Date Received _____) (Date Approved _____)

STATUS: _____

___ Evidence of Site Control

- ___ Deed
- ___ Option Agreement
- ___ Contract of Sale
- ___ Redevelopment Agreement
- ___ Ground Lease or Option to Enter into Ground Lease
- ___ Condominium Requirements, if applicable
 - ___ Condominium Association By-laws
 - ___ Master Deed
 - ___ Certificate of Formation of Condominium Association
 - ___ Other

(Date Received _____) (Date Approved _____)

STATUS: _____

___ Disclosure of all Financing Information (**List All**)

- ___ Other
- ___ Other
- ___ Other
- ___ Other
- ___ Other

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Preliminary CNA, Scope of Work (*Preservation projects only. Technical Services reviews if project is in Agency's existing portfolio*)

(Date Received _____) (Date Approved _____)

STATUS: _____

CONSTRUCTION DOCUMENTS:

____ Preliminary Drawings, (if applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMFA (All documents in this section will be prepared by NJHMFA):

____ Site Inspection Report

(Date Received _____) (Date Approved _____)

STATUS: _____

II. REQUIREMENTS FOR MORTGAGE COMMITMENT

PLEASE NOTE: THE TECHNICAL SERVICES DIVISION WILL NOT BEGIN REVIEW UNTIL ALL DOCUMENTS NOTED BELOW WITH GREEN HIGHLIGHT HAVE BEEN SUBMITTED IN COMPLETED FORM.

SPONSOR:

____ Formation Certificate for Sponsor/Borrower and Managing Entity, as applicable
(Advise NJHMFA prior to formation if contemplating an Urban Renewal entity N.J.S.A. 40A:20-1 et seq.) (Date _____)

____ Certificate of Limited Partnership

____ Certificate of Formation (Limited Liability Company)

____ Certificate of Incorporation (required for a corporate sponsor and for any corporate general partner or managing member and for any corporate limited partner assigning syndication proceeds)

____ Certificate of Formation for Managing Member, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Corporate Certification and Questionnaire*, as applicable

____ Sponsoring Entity/Borrower

____ General Partner (Limited Partnership)

____ Managing Member (Limited Liability Company)

____ Other entity owning 10% or greater interest in sponsoring entity

____ Updating Affidavit for Questionnaire, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Personal Questionnaire for Directors and Officers of Sponsoring Entity/Borrower, Individuals Serving as General Partner or Managing Member, and any individual owning 10% or greater interest in sponsoring entity, or in the General Partner or Managing Member entity* *(For non-profit entities controlled by a Board of Directors, Personal Questionnaires should be provided for any officer of the Board.)*

____ Updating Affidavit for Questionnaire, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Criminal Background Check for Directors and Officers of Sponsoring Entity/Borrower, Individuals Serving as General Partner or Managing Member, and any individual owning 10% or greater interest in sponsoring entity, and General Partner or Managing Member entity* *(Any individual submitting a Personal Questionnaire must submit a Criminal Background Check. For non-profit entities controlled by a Board of Directors, Criminal Background checks should be provided for any officer of the Board.)*

(Search results are valid for 18 months from date received.)
(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Environmental Preliminary Assessment Report** (pursuant to N.J.A.C. 7:26E-3.2) (Phase I)
In addition, the following are required for Existing Structures:

- ____ Lead Based Paint Report/Removal plan
- ____ Asbestos Containing Materials Report/Remediation plan
- ____ Radon testing/Remediation plan

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Environmental Report** (pursuant to N.J.A.C. 7:26E-3.3), (if applicable) (Phase II)
(along with written Confirmation from Credit Enhancement Provider that Phase I is acceptable)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Resolution Granting Preliminary AND Final Site Plan Approval, Subdivision and Any Zoning Variances from Municipality and County, if applicable. *For Special Needs projects, refer to Special Needs Program document checklist requirements.*

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Street Vacation Ordinances** (Resolution with Proof of Publication), (if applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Municipal Resolution Granting Payments in Lieu of Taxes*, (if applicable) ***(For Preservation Loan projects,***

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refer to the Preservation Program document checklist requirements.)

_____ Agency statute is N.J.S.A. 55:14K-37.

_____ The Long Term Tax Abatement falls under N.J.S.A. 40A:20-1 et seq.

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Agreement for Payment in Lieu of Taxes, (if applicable) *(For Preservation Loan projects, refer to the Preservation Program document checklist requirements.)*

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Financing Commitments (**List All**)

_____ Other:

_____ Other:

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Evidence of Credit Enhancement Availability to Borrower for Project

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Evidence of Denial of Other Funding Sources *(List All if Applicable)*

_____ County Funds:

_____ Municipality Funds:

_____ FHLB:

_____ LIHTC:

_____ FEMA (if applicable):

_____ Small Business Administration (if applicable):

_____ Insurance (if applicable):

_____ Other:

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Evidence of Application for Rental Assistance Agreements, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ CNA, Scope of Work *(Preservation projects only. Technical Services reviews if project is in Agency's existing portfolio)*

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Affirmative Fair Housing Marketing Plan, if applicable. *(Not required for Special Needs projects, unless required by another Agency financing source.)*

_____ HMFA Version

_____ HUD Version

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Tax Credit Projects: For only those projects receiving both special needs financing and tax credits, an analysis conducted by the applicant's accountant of anticipated project cash flow and residual value demonstrating a reasonable prospect of repayment of all loans. This analysis shall incorporate the same assumptions utilized in the cash flow proforma submitted in the application, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Tax Credit Projects: For only those projects receiving both special needs financing and tax credits, an opinion of tax counsel in support of the dollar amount of the eligible basis for the project set forth in the application. Attached to this opinion, and incorporated therein, shall be the accountant's analysis referenced above, if applicable.

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Resolution of Need from Municipality* (may be included in municipal resolution granting payments in lieu of taxes) *(Not applicable for projects with an existing Agency mortgage loan being refinanced under the Preservation Loan program. Resolution IS required for all other Preservation Loan projects not currently in the Agency's portfolio.)*

(Date Received _____) (Date Approved _____)

STATUS: _____

ENERGY STAR:

_____ **Pre-Construction Authorization Letter** (If FRM, CDBG Green Building Letter of Intent)

***Note:** This documentation must be collected prior to commitment for projects that are not receiving construction financing from NJHMFA or will start construction prior to closing on construction. Please contact the Green Homes Office for clarification.*

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ **HUD CPD Green Building Retrofit Checklist – FRM ONLY**

(Date Received _____) (Date Approved _____)

STATUS: _____

TAX CREDITS GREEN POINT:

_____ **Pre-Construction Authorization Letter** (Date _____)

STATUS: _____

***Note:** This documentation must be collected prior to commitment for projects that are not receiving construction financing from NJHMFA or will start construction prior to closing on construction funding. Please contact the Green Homes Office for clarification.*

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Current Operations Agreement for, as applicable:

____ Sponsoring Entity (By-laws: Corporation; Partnership Agreement: Limited Partnership; Operating Agreement: Limited Liability Company) (Must contain NJHMFA Statement)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Formation Certificate for Sponsoring Entity and Managing Member/General Partner

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Acquisition Credit Opinion Letter (if applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Agency Board Resolution Authorizing Mortgage Commitment

(Date Received _____) (Date Approved _____)

STATUS: _____

____ DRAFT Operations Agreement with all Exhibits attached for Sponsoring entity and General Partner(s) or Managing Member(s) (as applicable) (Final needed at Closing)

____ Partnership Agreement (LP) with HMFA Statement

____ Operating Agreement (LLC) with HMFA Statement

____ By Laws (Corporation) with HMFA Statement (*HMFA Statement required for sponsoring entity only*)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ DRAFT Closing Memorandum with breakdown of fees and funds

(Date Received _____) (Date Approved _____)

STATUS: _____

CONSTRUCTION DOCUMENTS:

____ **Detailed Scope of Work** (Note: Any changes made to the scope of work must be approved by NJHMFA) ***For Preservation Loan projects, refer to the Preservation Program document checklist requirements.***

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Detailed Trade Payment Breakdown on AIA Form 703** (Schedule of Values) signed by General Contractor and based on the Final Contract Drawings (NOTE: Any changes to the Trade Payment Breakdown must be approved by NJHMFA.)

(Date Received _____) (Date Approved _____)

STATUS: _____

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____ Flood Insurance Certificate and Policy, if applicable (naming NJHMFA as First Mortgagee, Additional Insured and Loss Payee)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Evidence of ability to obtain 100% Payment & Performance Bond naming Sponsor and NJHMFA as Obligees (Will be required for Agency Construction Financing. For Agency Permanent Financing, Sponsor has the option of providing a 10% Letter of Credit or 30% Warranty Bond in lieu of Payment and Performance Bond.) *Note this guarantee will be required to exist for a period of two years post construction completion as determined by the Certificate of Occupancy date or Architect's Certificate of Substantial Completion, whichever is later. For Special Needs projects, refer to Special Needs Program document checklist requirements.*
(Date Received _____) (Date Approved _____)
STATUS: _____

Architect/Engineer Documents:

____ **Architect's Contract*** (Alternatively, if use of an AIA form permitted, Agency Addendum and CDBG Addendum to contract is required*)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ **A certification from the design professional (i.e. Architect),** this certification can be in the form of a signed and sealed letter stating the known Advisory Flood Elevation (AFE) for the site, citing the reference flood map, and stating the proposed finished floor elevation indicating compliance with the applicable regulations. (FRM only)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ **Construction Documents and Project Manual** (in Construction Specifications Institute "CSI" format) must be submitted and shall consist of Final (100%) Contract Documents showing all required construction details, cross-sections, and other information necessary to constitute a construction-ready set of project construction documents consistent with

the

construction contract. The drawing set must include, as a minimum:

- Approved Final Site Plans and Final Subdivision Plans (if applicable);
- Civil Engineering Drawings;
- Architectural Drawings;
- Mechanical/Electrical/Plumbing (MEP) Drawings;
- Structural Drawings;
- Fire Alarm/Suppression Drawings;
- All required construction details; and,
- A detailed project cost estimate by trade.

NOTE: For projects receiving CDBG financing, the Owner is required to adhere to Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794) and implementing regulations at 24 CFR Part 8 "Nondiscrimination Based on Handicap in Federally Assisted Programs and Activities of the Department of Housing and Urban Development". Therefore, the Project shall be designed to have 5% of the units accessible to persons with physical disabilities and 2% of the units be designed for the visually or hearing impaired, as called for in Section 504 of the Rehabilitation Act of 1973.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Architect's Errors and Omission Policy/Certificate of Insurance** (naming NJHMFA as Certificate Holder)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Geotechnical Engineering Report** (Soils Test), if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Survey** (2 Sealed Originals Certified to Sponsor, NJHMFA and Title Company)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Certified Land Description**

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Personal Certification and Questionnaire for Architect of Record *

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Corporate Certification and Questionnaire for Architectural Firm*

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Criminal Background Check for Architect of Record*

(Search results are valid for 18 months from date received.)

(Date Received _____) (Date Approved _____)

STATUS: _____

Contractor Documents:

____ **Executed Construction Contract***

(Note: Federal (Davis Bacon) prevailing wages must be paid for those projects

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receiving FRM funds. Evidence of payment of Davis-Bacon wages must be included in the construction contract.) Agency Conduit Addendum to Contract and CDBG Addendum are required*

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Evidence of ability to obtain 100% Payment & Performance Bond naming Sponsor and NJHMFA as Obligees** (Will be required for Agency Construction Financing. For Agency Permanent Financing, Sponsor has the option of providing a 10% Letter of Credit or 30% Warranty Bond in lieu of Payment and Performance Bond.) *Note this guarantee will be required to exist for a period of two years post construction completion as determined by the Certificate of Occupancy date or Architect's Certificate of Substantial Completion, whichever is later. For Special Needs projects, refer to Special Needs Program document checklist requirements.*

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Corporate Certification and Questionnaire for Contractor*

____ Updating Affidavit for Questionnaire, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Personal Certification and Questionnaire for Officers, Directors of Contractor and Individuals with Management Control, and individuals owning 10% or greater interest in contracting entity*

____ Updating Affidavit for Questionnaire, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Criminal Background Check for Contractor's Officers, Directors and Individuals with Management Control, and individuals owning 10% or greater in contracting entity*

(Search results are valid for 18 months from date received.)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Contractor's Liability Insurance Certificate (naming Sponsor and NJHMFA as Additional Insured

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Certificate of Formation

(Date Received _____) (Date Approved _____)

STATUS: _____

____ COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY (CDBG-DR) OWNER CERTIFICATION

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Certificate of Good Standing from State of Formation (current within six (6) months of anticipated

bond sale)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ New Jersey Secretary of State Authorization to do Business in New Jersey for Out-of-State Contractor, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Building Permits (or letter that building permits will be issued but for payment of fee)

(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMFA (All documents in this section will be prepared or obtained by NJHMFA):

____ Appraisal/Market Study

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Updated Appraisal/Market Study, (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Bond Counsel Retained on Behalf of the Agency

(Date Received _____) (Date Approved _____)

STATUS: _____

____ CDBG-FRM POINT SYSTEM SCORE SHEET

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Board Resolution for Declaration of Intent

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Declaration of Intent Letter

(Date Received _____) (Date Approved _____)

STATUS: _____

III. ISSUANCE OF BONDS/CLOSING

____ Confirmation of Availability of Utility Services (electric, gas, water, sewer)

____ NJ DEP Treatment Works Approval (Sewer), if applicable

____ Wetlands Approval, if applicable

____ CAFRA Approval

____ Pinelands Approval, if applicable

____ Resolution from Municipal/County Authority, if applicable

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(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Post Issuance Compliance Procedures Manual and **Signed Acknowledgment of Same**
(Date Received _____) (Date Approved _____)
STATUS: _____

_____ TEFRA Notice/TEFRA Hearing
(Date Received _____) (Date Approved _____)
STATUS: _____

_____ HUD Approval, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____

_____ Certificate of Good Standing for Sponsoring Entity and Managing Member/General Partner
(Date Received _____) (Date Approved _____)
STATUS: _____

_____ New Jersey Secretary of State Authorization to do Business in New Jersey for any Out-of-State
Sponsoring Entity
(Date Received _____) (Date Approved _____)
STATUS: _____

_____ New Jersey Division of Taxation Tax Clearance Certificate – *Valid for 180 days*
(Date Received _____) (Date Approved _____)
STATUS: _____

_____ Written Confirmation from Credit Enhancement / Purchaser Provider that Project Insurance is acceptable as
provided (NJHMFA to be named in Certificate)
(Date Received _____) (Date Approved _____)
STATUS: _____

_____ Sales Tax Exemption, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____

_____ Title Insurance Commitment and Title Related Requirements (updates required for closing)
*Commitments needed for each Agency or Agency administered loan closing. For Special
Needs project receiving Grant financing or HUD 811 funds, see Special Needs Document
Checklist for title requirements.*

NOTE: *Affirmative insurance required for any exceptions in commitment that will remain at
the time of closing.*

_____ Tax Search

- ___ Field Notice of Settlement
- ___ Assessment Search
- ___ Municipal Water/Sewer Utility Search
- ___ Evidence of payment of taxes, if applicable
- ___ Evidence of payment of utilities, if applicable
- ___ Judgment Search
- ___ Sponsoring Entity
- ___ General Partner(s)/Managing member(s)
- ___ Corporate Status and Franchise Tax Search, if applicable
- ___ Tidelands and Wetlands Search
- ___ Flood Hazard Area Certification
- ___ Closing Protection Letter for Title Officer Attending Closing
- ___ Survey Endorsement insuring final survey without exceptions
- ___ Title Rundown Confirmation (in writing)
- ___ Copies of All Instruments of Record
- ___ First Lien Endorsement, (and/or Second Lien, etc.,) if applicable
- ___ Environmental 8.1 Endorsement
- ___ Evidence of payment of current condominium fees/assessments, if applicable
- ___ Arbitration Endorsement

Additional Endorsements as may be required depending on project type :

- ___ ALTA 13.1 - Leasehold endorsement, if applicable
- ___ ALTA 9 – Restrictions, Encroachments, Minerals, if applicable
- ___ ALTA 18 Multiple Parcels Endorsement (if scattered site project)
- ___ ALTA 5.1 – Planned Unit Development, if applicable
- ___ Condominium Endorsement, if applicable
- (Date Received _____) (Date Approved _____)

STATUS: _____

- ___ Survey with legal description (certified to Agency- 2 copies)
- (Date Received _____) (Date Approved _____)

STATUS: _____

- ___ Evidence of Perfection of Subdivision (recorded subdivision deeds or filed subdivision map), if applicable.

(Date Received _____) (Date Approved _____)

STATUS: _____

- ___ Final Executed Operations Agreement with all Exhibits attached for Sponsoring entity and General Partner(s) or Managing Member(s) (as applicable) (Final needed at Closing)

- ___ Partnership Agreement (LP) with HMFA Statement

- ___ Operating Agreement (LLC) with HMFA Statement

- ___ By Laws (Corporation) with HMFA Statement (*HMFA Statement required for sponsoring entity only*)

(Date Received _____) (Date Approved _____)

STATUS: _____

- ___ Construction Draw Schedule with Order of Draw*

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(Date Received _____) (Date Approved _____)

STATUS: _____

____ Resolution to Borrow

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Mortgagor's and/or Grantee's Affidavit of Title*

____ For Agency or Agency administered construction financing, if applicable

____ For Agency or Agency administered permanent financing, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Attorney Opinion Letter of Borrower's Counsel

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Confirmation that Bond Counsel Requirements have been satisfied, if any (e-mail is acceptable)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Confirmation that Underwriter's /Purchaser Counsel Requirements have been satisfied, if any (e-mail is acceptable)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Evidence of Availability of Tax Credits

____ 42M Letter (for projects using tax-exempt financing) OR

____ Reservation Letter (for projects awarded competitive tax credits)

____ Carryover Allocation or Binding Forward Commitment or 8609

(Date Received _____) (Date Approved _____)

STATUS: _____

____ FINAL signed Closing Memorandum with breakdown of fees and funds

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Payment & Performance Bonds (if construction project and if required by enhancer/purchaser NJHMFA to be named)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Builder's Risk Insurance Certificate (naming NJHMFA as First Mortgagee, Additional Insured and Loss Payee) meeting Agency Builder's Risk Insurance Specifications – Credit Enhancer written approval.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Owner's / Developer's Commercial General Liability Insurance – Credit Enhancer written approval.

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(Date Received _____) (Date Approved _____)

STATUS: _____

Architect/Engineer Documents:

_____ Final Contract Drawings and Specifications, if updated since previously provided
(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Evidence of completion of Environmental Remediation Plans, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

_____ HUD Environmental
_____ Form 7015.16 – Environmental signoff from HUD (Environmental Assessment
for CDBG Funds)

(Date Received _____) (Date Approved _____)

STATUS: _____

Contractor Documents:

_____ Termite Certification (for rehab) or Certification from Contractor that Treated Lumber will be Used
(for New Construction), if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Verified List of Subcontractors signed by General Contractor

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Documents to Evidence Bond Issuance: (Prepared by Bond Counsel)

_____ Bond Purchase Agreement

_____ Preliminary and/or Official Statement Provisions

_____ Qualified Transferee Letter

_____ Bond Resolution

_____ Trust Indenture

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Tax Credits, if applicable:

Written confirmation that all requirements for Tax Credits have been received. This includes payment
of all required fees.

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Documents to Evidence CDBG Loan to Applicant (Prepared by Agency)

(Date Received _____) (Date Approved _____)

STATUS: _____

- ____ Documents to Evidence Credit Enhancement
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Signed Agency Form 10 / Closing Statement
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ E-mail by Credit Enhancer/Purchaser, Investor (i.e. other party) approving disbursement of funds
(Date Received _____) (Date Approved _____)
STATUS: _____

NJHMFA (All documents in this section will be prepared or obtained by NJHMFA):

- ____ Board Resolution Authorizing Mortgage Commitment and Commitment Proforma/Cash Flow
(Agency Form 10)*, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Commitment Letter and Indemnification Deposit (Commitment Letter to be executed by Sponsor and
returned with Deposit within 10 days of mortgage commitment)*,
(If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Board Resolution Authorizing Mortgage Re-Commitment and Re-Commitment Proforma/Cash Flow
(Agency Form 10)*, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Re-Commitment Letter and Re-Commitment Fee (Re-Commitment Letter to be executed by Sponsor
and returned with Fee within 10 days of mortgage re-commitment)*, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____

IV. POST-CLOSING

SPONSOR:

- ____ Updates to any date sensitive documentation, including:
 ____ Tax Clearance Certificate
 ____ Criminal Background Checks
 ____ Certificate of Good Standing for all entities, as required

- ____ Other:
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Certificate of Occupancy covering all units, *if applicable*
DATE OF CERTIFICATE OF OCCUPANCY: _____
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ DCA Owner's (Building) Registration, if applicable (if not provided in Property Management's Management Agreement Package, or for existing building)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Final As-Built Survey (2 sealed originals certified to Sponsor, HMFA and Title Insurance Company showing as-built condition of property including location of all buildings), (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Final As-Built Drawings, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Architect's Certificate stating that all warranties and maintenance manuals have been delivered to and received by the Sponsor, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Architect's Certificate of Substantial Completion (AIA form), *If applicable.*
DATE OF SUBSTANTIAL COMPLETION: _____
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Title Policy (Post Closing)
For Special Needs projects receiving a Grant, a copy of the loan policy issued to HUD or other first mortgage lender is acceptable.
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Recorded Documents (Post Closing)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Insurance Policy covering Project naming HMFA - **Along with credit enhancer signoff & HMFA signoff.** a) First Mortgagee, b) Lender Loss Payable and c) additional Insured; must meet Agency insurance specifications; original policy with paid receipt required) **PLEASE NOTE: The Agency's Insurance Division requires a full 30 days to review insurance**

submissions. Please keep this in mind when anticipating a closing date. (Note that an insurance certificate is not sufficient to meet this requirement. If a full insurance policy is temporarily unavailable, closing may occur if a letter is submitted from the insurance provider (not the broker) confirming that the insurance agent has the authority to bind the provider insuring the project under the Cert. of Insurance.)

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Final Release and Waiver of Liens and Affidavit of General Contractor*

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Releases from all subcontractors* (for subcontracts valued at \$10,000 or above), if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Construction Cost Audit from Contractor, or audit document as otherwise approved by the Agency (may apply to Special Needs Projects)

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Construction Cost Audit from Contractor, or audit document as otherwise approved by the Agency (may apply to Special Needs Projects)

(Date Received _____) (Date Approved _____)

STATUS: _____

ENERGY STAR:

_____ Post-Construction Authorization Letter

(Date Received _____) (Date Approved _____)

STATUS: _____

***Note:** This documentation must be collected prior to closing on permanent financing or at post-closing for projects with construction-to-permanent financing. Please contact the Green Homes Office for clarification.*

_____ HERS Rater Contract (Tax Credits or FRM Financing)

(Date Received _____) (Date Approved _____)

STATUS: _____

TAX CREDITS GREEN POINT

_____ Post-Construction Authorization Letter

(Date Received _____) (Date Approved _____)

STATUS: _____

Note: This documentation must be collected prior closing on permanent financing or at post-closing for projects with construction-to-permanent financing. Please contact the Green Homes Office for clarification.

NJHMFA Staff

Posting Requirements:

_____ HUD Approval (i.e. this approval includes 2530, Transfer of Ownership, HAP and any Assignment of HAP)

Pricing/Closing Conditions:

_____ Post Issuance Compliance
_____ GAU Approval of TEFRA
_____ 42m Letter
_____ Building Permits, if applicable
_____ Certificate of Occupancy if Applicable

Closing

_____ Signed Documents to Evidence Bond Issuance: (Prepared by Bond Counsel)
_____ Bond Purchase Agreement
_____ Preliminary and/or Official Statement Provisions
_____ Qualified Transferee Letter
_____ Bond Resolution
_____ Trust Indenture
_____ Mortgage
_____ Mortgage Note
_____ Assignment of Mortgage
_____ Financing, Deed Restriction and Regulatory Agreement
_____ For projects receiving 4% federal low income housing tax credits, a Deed of Easement and Restrictive
Covenant for Extended Low Income Occupancy (Prepared by HMFA Tax Credits Division)
_____ Signed Documents to Evidence Credit Enhancement

_____ Signed Agency Form 10

_____ E-mail or telephone conference with all parties (i.e Credit Enhancer/Purchaser, Investor, other party) approving disbursement of funds

III. POST CLOSING

_____ Title Policy
_____ Closing Binder w/CD (provided by Bond Counsel)
_____ Certificate of Occupancy for Construction Rehab at Construction Completion
_____ Releases from General Contract and Subcontractors (any subcontractor over \$5,000)

NJHMFA Provisions to By-Laws of Corporation:

The Corporation acknowledges that any review of the provisions of these By-Laws by the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") is performed in accordance with its responsibility as Lender and is intended only to assure that the Corporation is validly formed according to law, with the legal authority to borrow the funds which will constitute the NJHMFA Mortgage Loan and to operate the Property securing the NJHMFA Mortgage Loan. Notwithstanding any other provisions herein, the Corporation acknowledges and agrees that as a condition of obtaining the NJHMFA Mortgage Loan, that the NJHMFA statutes, rules and regulations and all the financing documents in connection with the NJHMFA Mortgage Loan, are applicable to the Corporation and the Property securing the NJHMFA Mortgage Loan. The Corporation further acknowledges that, except as contained in this Section, the NJHMFA makes no representations express or implied, as to these By-Laws; and the Corporation and the Shareholders shall not rely upon the NJHMFA review of these By-Laws.

HMFA Provisions to Partnership Agreements:

The Partnership acknowledges that any review of the provisions of this Agreement by the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") is performed in accordance with its responsibility as Lender and is intended only to assure that the Partnership is validly formed according to law, with the legal authority to borrow the funds which will constitute the NJHMFA Mortgage Loan and operate the Property securing the NJHMFA Mortgage Loan. Notwithstanding any other provisions herein, the Partnership acknowledges and agrees that as a condition of obtaining the NJHMFA Mortgage Loan, that the NJHMFA statutes, rules and regulations and all the financing documents in connection with the NJHMFA Mortgage Loan, are applicable to the Partnership and the Property securing the NJHMFA Mortgage Loan. The Partnership further acknowledges that, except as contained in this Section, the NJHMFA makes no representations express or implied, as to this Agreement; and the Partnership and the Partners shall not rely upon the NJHMFA review of this Agreement.

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NJHMFA Provisions to Operating Agreement of Limited Liability Company (L.L.C.):

The Company acknowledges that any review of the provisions of this Operating Agreement by the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") is performed in accordance with its responsibility as Lender and is intended only to assure that the Company is validly formed according to law, with the legal authority to borrow the funds which will constitute the NJHMFA Mortgage Loan and to operate the Property securing the NJHMFA Mortgage Loan. Notwithstanding any other provisions herein, the Company acknowledges and agrees that as a condition of obtaining the NJHMFA Mortgage Loan, that the NJHMFA statutes, rules and regulations and all the financing documents in connection with the NJHMFA Mortgage Loan, are applicable to the Company and the Property securing the NJHMFA Mortgage Loan. The Company further acknowledges that, except as contained in this Section, the NJHMFA makes no representations express or implied, as to this Operating Agreement; and the Company and the Members shall not rely upon the NJHMFA review of this Operating Agreement.

Technical Services Requirements for Monitoring Project Construction

Whether the HMFA is making a permanent take-out loan or a construction and permanent loan, it requires that its Technical Services Division monitor the construction of the project. Listed below are the HMFA requirements please read carefully and be prepared to provide the necessary documentation and co-operation.

Contract Documents

Those documents that comprise a construction contract, the owner/developer-contractor agreement, conditions of the contract {general, supplementary, and other conditions}, plans and specifications, all addenda, modifications, and changes thereto, together with any other items stipulated as being specifically included.

Architect's Contract

That document that outlines the performance of architectural services, including analysis of project requirements, creation and development of the project design, preparation of drawings, specifications, and bidding requirements and the general administration of the construction contract. As the owner/developer's representative, the design professional should participate in the process by observing and administering the contract for construction including job site inspection, attendance at job site meetings, the creation of meeting minutes, shop drawing review, change order review, punch list inspections and so on.

Summary Trade Payment Breakdown

This document divides the total cost of construction, as established by the construction contract, into various segments related to a specific trade. This "breaking down" of the total cost of construction is reflected on the application for payment and simplifies the determination of a percentage of work complete for the purpose of making payments to the contractor.

Detailed Trade Payment Breakdown

This document further divides and refines the Summary Breakdown above into its constituent parts. For example, the plumbing line on the summary breakdown would be further developed to show its component parts including potable and nonpotable water piping, sanitary piping, gas piping, toilet and bath fixtures, kitchen fixtures, and so on. This

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detailed information further enhances our ability to review project costs as well as to determine a percentage of work complete for the purpose of making payments to the contractor.

Shop Drawings

These documents can be drawings, diagrams, illustrations, schedules, performance charts, brochures, and other data prepared by the contractor or any subcontractor, manufacturer, supplier, or distributor, which illustrate specific portions of the work and how they will be fabricated and installed. The contract documents usually allow for a number of choices in many portions of the work. The shop drawings are the approved choice of the owner/developer and their professional and consultants and become the reference for Agency inspections during construction.

Payment Requisitions

The contractor prepares the application according to the approved Summary Trade Payment Breakdown or Schedule of Values. The contractor submits it to the design professional for approval. The design professional reviews the application in light of his/her own observations and records and certifies an amount that he/she feels is appropriate. If the HMFA is providing construction financing, then the application for payment is reviewed and approved by a Field Representative and the Director of Technical Services. Otherwise, the requisition is provided for information purposes only.

Change Orders

A written order to the contractor signed by the owner and the architect, issued after the execution of the contract, authorizing a change in the work and/or an adjustment in the contract sum. These changes may add to, subtract from, or vary the scope of the work. Change orders may also be used to adjust the contract time as originally defined by the contract documents. If the Agency is providing construction financing, then change orders are approved by a Field Representative and the Director of Technical Services. Otherwise, any change orders are provided for informational purposes only.

Drawing Revisions and/or Clarification Sketches

The design professional, as the author of documentation that delineates the final design of the project, is the appropriate administrator of decisions regarding their interpretation. Often, this interpretation and clarification is provided to the contractor in the form of revised drawings with "clouded" areas or by providing smaller sketches which clarify missing or confusing details. These documents enhance or build upon the contract documents and should be provided to the Agency for informational purposes and for use by field staff during project inspection.

Prevailing Wage Reports

If the HMFA is providing construction financing the contractor and its subcontractors are required to submit certified payroll reports to the Director of Technical Services. These reports will be compared to the prevailing wage within the contract documents. Otherwise, these documents are not required.

Administrative Questionnaires

If the HMFA is providing construction financing, the contractor and its subcontractors are required to complete and submit personal and corporate questionnaires. Otherwise, these documents are not required.

Subcontracts over \$25,000.

If the HMFA is providing construction financing, the contractor is required to submit fully executed subcontracts in excess of \$25,000. Those documents will be reviewed by the Director of Technical Services for compliance with the contract documents. Otherwise, these documents are not required.

Preconstruction Meeting

A meeting should be held prior to the notice to proceed being issued. These meetings provide an opportunity to clear up

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any unfulfilled requirements, define the role of the various members of the construction team, as well as simply providing everyone a chance to get acquainted. **Many loose ends can be tied up in a timely manner at these meetings and they are highly recommended.**

Notice to Proceed

This document is a written communication issued by the owner to the contractor authorizing him/her to proceed with the work. This notice establishes the date of commencement of the work and is directly related to the contractor's time of performance and the assessment of damages and/or delay claims, if applicable. The start date is necessary to create a production schedule and to monitor the contractor's performance and its compliance with the contract documents.

Construction Schedule

The construction schedule sets forth the contractor's estimate of the completion of the project. One of the functions of this document should be to indicate the approximate degree of completion that the owner and lender can expect at each application for payment. In those instances when the Agency is providing permanent financing, the schedule provides insight regarding date of closing, the need to recommit, or the date of occupancy.

Minutes of Meetings

A record of meetings between the parties to the contract is a very important resource. During job meetings discussions can cover a wide range of topics including quality and quantity of work performed to date, change orders, requests for clarification by the contractor to the professional or owner, delays, payments, and so on. Technical Services routinely receives them for construction financed projects and should receive them on all of our permanent financed deals, as well.

Architect's Field Report

AIA Document G711 is designed to document the design professional's compliance with the duty of periodic job site inspections. [The Professional may choose to use his/her own form.] These inspections may identify problems with the work and certain corrective actions to be taken ultimately leading to the issuance of Supplemental Instructions.

Bank Inspector's Report

If a lender other than the Agency makes construction inspections, Technical Services would like to be provided copies of these reports for our review and possible comment.

Major and Severe Renter Damage by Municipality

Municipality	County	Points
Atlantic City	Atlantic	22 points
Toms River	Ocean	
Seaside Heights	Ocean	
Jersey City	Hudson	
Keansburg	Monmouth	
Ventnor	Atlantic	
Hoboken	Hudson	
Long Branch	Monmouth	
Little Ferry	Bergen	
Highlands	Monmouth	
Ocean City	Cape May	
Little Egg Harbor	Ocean	18 points
Sea Bright	Monmouth	
Brick	Ocean	
Point Pleasant Beach	Ocean	
Union Beach	Monmouth	
Manasquan	Monmouth	
Belmar	Monmouth	
Brigantine	Atlantic	
Stafford	Ocean	
Middletown	Monmouth	
Seaside Park	Ocean	14 points
Egg Harbor Township	Atlantic	
Sayreville	Middlesex	
Long Beach	Ocean	
Margate	Atlantic	
Bayonne	Hudson	
South River	Middlesex	
Lavallette	Ocean	
Berkeley	Ocean	
Newark	Essex	
Ocean Gate	Ocean	
Carteret	Middlesex	
Asbury Park	Monmouth	
Moonachie	Bergen	
Monmouth Beach	Monmouth	
Beach Haven	Ocean	
Ship Bottom	Ocean	
Lacey	Ocean	
Penns Grove	Salem	
Hackensack	Bergen	
Wildwood	Cape May	
Keyport	Monmouth	
Elizabeth	Union	
Tuckerton	Ocean	
Point Pleasant	Ocean	
Bay Head	Ocean	
Rahway	Union	

Rumson	Monmouth	10 points
North Wildwood	Cape May	
Ocean	Ocean	
Harrison	Hudson	
Neptune	Monmouth	
Pleasantville	Atlantic	
Ridgefield Park	Bergen	
Secaucus	Hudson	
Weehawken	Hudson	
Sea Isle City	Cape May	
Linden	Union	
Woodbridge	Middlesex	
Surf City	Ocean	
Camden	Camden	
Avon-by-the-Sea	Monmouth	
Somers Point	Atlantic	
Kearny	Hudson	
South Amboy	Middlesex	
Old Bridge	Middlesex	
Oceanport	Monmouth	
Lyndhurst	Bergen	
Perth Amboy	Middlesex	
Red Bank	Monmouth	
Wallington	Bergen	6 points

Major Foreign Languages Spoken in Nine Most Affected Counties

Sandy-Affected County	Top Non-English Languages Spoken	Estimated LEP Population
Atlantic County	Spanish Vietnamese Chinese	15,800 2,000 2,000
Bergen County	Spanish Korean Polish	41,300 26,200 8,300
Cape May County	Spanish	2,300
Essex County	Spanish Portuguese French Creole	59,600 15,300 8,500
Hudson County	Spanish Arabic Tagalog	105,400 5,000 4,700
Middlesex County	Spanish Chinese Gujarati	53,800 11,700 10,500
Monmouth County	Spanish Portuguese Chinese	21,300 4,000 3,900
Ocean County	Spanish Italian Polish	13,400 1,400 1,000
Union County	Spanish Portuguese French Creole	70,400 9,100 5,000
Total	11 LEP Populations	